S. HRG. 101-338

REAUTHORIZATION OF THE DOMESTIC VOLUNTEER SERVICE ACT (ACTION)

HEARING

BEFORE THE

SUBCOMMITTEE ON
CHILDREN, FAMILY, DRUGS AND ALCOHOLISM

OF THE

COMMITTEE ON
LABOR AND HUMAN RESOURCES

UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

ON

EXAMINING PROPOSED LEGISLATION AUTHORIZING FUNDS FOR FISCAL YEARS 1990, 1991, AND 1992 FOR ACTION

APRIL 4, 1989

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REAUTHORIZATION OF THE DOMESTIC VOLUNTEER SERVICE ACT (ACTION)

TUESDAY, APRIL 4, 1989

U.S. SENATE,
SUBCOMMITTEE ON CHILDREN,
FAMILY, DRUGS AND ALCOHOLISM, OF THE
COMMITTEE ON LABOR AND HUMAN RESOURCES,
Washington, DC.

The committee met, pursuant to notice, at 10:15 a.m., in room SD-430, Dirksen Senate Office Building, Senator Christopher J. Dodd (chairman of the subcommittee) presiding.

Present: Senators Dodd, Coats, and Simon.

OPENING STATEMENT OF SENATOR DODD

Senator DODD. The Subcommittee on Children, Family, Drugs and Alcoholism will come to order for this morning's hearing on the reauthorization of the Domestic Volunteer Service Act of 1973.

I would like to welcome all of you to the subcommittee this morning on the reauthorization of this important Act. As we proceed through this hearing and the later steps of reauthorization, it would be easy to get lost in a string of acronyms—the Domestic Volunteer Service Act, DVSA, authorizes ACTION, which in turn encompasses VISTA and RSVP, the Retired Senior Volunteer Program, and two others, OAVP, or the Older American Volunteer Programs.

Yet among the many programs that we oversee, this one least of all should be reduced to the "alphabet soup" of Federal administration. After all, these programs are about people, volunteers, providing critical services to other people. They are about the tremendous difficulties that many of our citizens face, whether it is because they have no home, because they cannot read, because they are children from shattered families, or because they are frail and elderly and alone.

Confronting these difficulties, half a million people every year give of their time, usually at great personal sacrifice, to help others overcome the tremendous odds of poverty, illiteracy, drug abuse, and the loneliness and failing health of old age. These volunteers channel their efforts through the ACTION programs that I have mentioned earlier.

Today we applaud the volunteers who have given their time and their caring to this work, and we commend the equally valuable work of those who run the local projects that make the volunteer efforts possible.

It is our job here in the Senate and the Congress to support your volunteer service and to give even more Americans the chance to serve.

Twenty-five years ago, when VISTA was first established, Lyndon Johnson called it the War Against Poverty. When RSVP was set up in 1969, it was described as consistent with President Nixon's call for volunteerism as one way of tackling some of our urgent domestic problems. In ensuing years, our Nation has made progress on many fronts, but we still face the profound challenge of poverty.

Just last week, the House Ways and Means Committee released a report showing that the income gap in this country is growing, that the bottom fifth of our citizens are falling further and further behind into the despair of poverty. Homelessness is at its highest rate since the Great Depression, and one-third of the homeless are families with children. In 1987, the demand by families with children for emergency food assistance increased by 18 percent in 25 major cities across this country.

The continuing need and the yet untapped resources of millions of potential volunteers argue clearly for strengthening the programs authorized by the Domestic Volunteer Service Act.

Yet over the past eight years, Congress has been repeatedly at odds with the Reagan administration over these programs, especially VISTA. Although I still hold out hope that we will ultimately reach agreement on a strengthened program, I was very disappointed to find that the Bush administration's proposal seeks to continue the Reagan policies of weakening existing programs.

The Bush administration proposed funding would not even permit the same level of services next year as we have now. The total number of VISTA volunteers would decrease under the Bush administration's proposal by 11 percent. Equally alarming is the way in which the proposal flatly repudiates several Congressional mandates by eliminating the VISTA Literacy Corps and by rejecting the special 1988 Omnibus Drug Bill funding for drug abuse prevention.

These changes are proposed against the backdrop of a President who says he wants to mobilize new legions of volunteers. Perhaps the need to accommodate his new ideas elsewhere in the budget accounts for the limited DVSA proposal. And certainly, there are other ambitious proposals for a volunteer service under consideration.

I for one have sponsored a bill, along with many House members, that would create a Conservation Corps and an expanded Youth Service.

However, as we renew our interest in mobilizing volunteers, I suggest that we first look to the programs already in place. Today, we will hear testimony about many excellent projects, but we will also hear about people who want to volunteer, but who cannot find the program, because VISTA does so little recruitment and publicity. We will hear about literacy projects that may fold without the separate allocation for the Literacy Corps. And we will hear about hundreds of excellent Older American volunteer projects that will never get off the ground unless we increase funding.

I would have two observations as we begin this reauthorization. The first is that the ACTION programs do need improvement in areas that we supposedly covered in the last authorization, but regrettably, must revisit today. At the same time, the model of locally-based volunteers supported by a national program has been tried and tested and found remarkably successful.

In my home State of Connecticut, VISTA volunteers, college students and OAVP volunteers give generously of their time and make a tremendous difference in dealing with the problems of illiteracy, unemployment and homelessness and in helping the frail elderly and children with special needs.

Across our Nation, we have a great reservoir of energy, ability and talent available for volunteer service. I look forward to hearing today's testimony and to working with my colleagues as we build on the successful ACTION models.

We have put up a couple of graphs, which always dazzle the eye—I am not sure you can read them from where they are, but we can leave them up here. I will just cite three in particular.

The first one over there, "American Children in Poverty"—I have a special interest in this particular sector of our society because of the inability of that particular constituency to do much to defend itself. But let me just share with you what has happened in ten years—and these numbers are not speculative numbers; these are hard facts and data about where we are as a Nation today.

The United States has the highest percentage of children in poverty in any nation in Western Europe, including Canada—any nation. We rank at the bottom in that particular category. In 1987, one out of every five American children were living in poverty. That is a 24 percent increase since 1979—a 24 percent increase in ten years. On any given night in this country, 100,000 children—and I am not including runaways or abandoned children—have no home whatsoever—100,000 children in this Nation. Nearly one in every four rural children is poor. Since 1978, rural poverty rates have grown at twice the rate of poverty in our urban areas. We traditionally think of this as an urban problem, but it is rural children who are suffering the most in this country.

In 1987, the income gap between the rich and poor hit its widest point in 40 years. The wealthiest 40 percent of American families received 67.8 percent of national family income. The poorest 40 percent received only 15.4 percent, one of the lowest percentages ever recorded. And in 1987, the demand by families with children for emergency food assistance increased by 18 percent in 25 major cities, which I mentioned in my opening statement.

So there are the hard data about what is happening to young people in our society as we try and make this a stronger Nation.

Let me just give you an idea—this graph cites the difference between the request for dollars for ACTION and what we actually appropriated. The blue is the administration budget proposals since 1983; the red indicates exactly what was finally appropriated. There is only one year, 1986, which may be somewhat confusing to you. You see the $144.7 million which was appropriated, the blue; that was a sequester figure. So we end up with a little disparity in that actually you end up with a higher number in that particular year. And this year, of course, as has already been indicated, the

budget request is exactly last year's funding levels—in fact, a bit less than last year's funding levels. And given just the cost-of-living increases, that has a profound effect.

And the third graph I would like to put up shows the number of volunteer service years and numbers of poor Americans. Again here, it is difficult to follow, but the blue line which starts at the bottom and then moves up and ends up at the higher part of the graph between 30,000 and 35,000, that is the number, the increase in poor Americans. The green line indicates from 1972 through 1986 the actual number of collective years that we reached with volunteer services. And we are seeing that number go down as the numbers in poverty increase, so the ability of VISTA to reach those people is just diminishing every year.

And last, I would share with you the graph on the age disparities. Originally, this program, while it was not meant to exclude older Americans or people in middle age categories, along with the Peace Corps, when they both started in the same year, the idea was to attract young Americans. Today there is a plethora of bills kicking around Congress to get young people to serve in this country.

But just look at what has happened to the age group between 18 and 27. Since 1979, in ten years, that age category, which is the red line, 28 to 59 is blue, and over 60 is the orange line. But between 18 and 27, that number has decreased by 47 percent in ten years, the number of young people we are getting to serve this country, to be good volunteers. And frankly, they are the ones with the energy and who have the time and so forth to really dedicate to these services—not that the other age groups don't, but particularly in that age group we are just failing miserably.

We were curious last night as to whether or not the Central Intelligence Agency doesn't do a better recruiting job on our college campuses than VISTA does, and we do not know the answer to that, but I have a suspicion it may be that they do today.

But I would just share those graphs with you, and I will leave them up for those who would like to come up and look at them, or we can make available smaller sheets for you. But I thought that would make the case.

Let me now turn to my Ranking Minority Member for any opening statement, and then we will get to our witnesses.

OPENING STATEMENT OF SENATOR COATS

Senator COATS. Thank you, Mr. Chairman.

Today's reauthorization hearing of the ACTION agency continues an interest our full committee recently expressed by undertaking a review of proposed new national service legislation.

ACTION's successful history reveals that the goals and ideals of volunteerism are still very much in the minds of millions of Americans. Participation is not limited to the fittest or the wisest. Every person, regardless of his or her age, sex, race or income, can play a meaningful role in contributing to the welfare of others. The individual programs which comprise ACTION not only encourage private citizens to partake of humanitarian deeds, but also demonstrate that a single person can make a difference.

I am especially proud this morning to have a representative from my own State testify before our subcommittee. Earlham College in Richmond, Indiana is a current recipient of an ACTION grant. This grant has allowed Earlham to involve hundreds of its students in volunteer programs to benefit individuals through literacy programs, distribution of food and clothing, community clean-up projects, and many other valuable and innovative activities. As college director of Earlham's volunteer initiatives, Nancy Wood has travelled here today to share with the subcommittee the exciting volunteer programs she and her students have developed in the past 18 months.

Despite the success of this and thousands of other ACTION projects throughout the country, our intent here today should not only be to praise the successes achieved by ACTION, but also to better understand how volunteerism projects can be further improved and reach more people. These objectives are evident in the administration's discussion to date of establishing a national volunteer foundation for young people and also in the many legislative proposals introduced to promote volunteer service, including one which the chairman introduced and talked about earlier.

The volunteer efforts of selfless Americans have been at the root of social concern and reform throughout our Nation's history. ACTION's volunteer programs, whether they involve teenagers or seniors, demonstrate that public/private initiatives can succeed even on a large scale. I believe it is imperative, then, that as we look at existing and future volunteer programs, our goal should be the prevention of needless bureaucratic duplication. Such focus will allow us to promote public/private volunteer ventures which will best funnel resources and energies into our local communities, where they are most needed and where they will be best spent.

I look forward today to learning more about ACTION's successes and concerns and also hearing the insights of our diverse group of panelists.

Mr. Chairman, because you are a former Peace Corps volunteer, I know you have a particular interest in the work being performed by ACTION and the national volunteerism issue as a whole. I share with you this interest, and I am confident that today's reauthorization hearing will be extremely beneficial as we examine movement toward even greater volunteer opportunities for all Americans.

Senator DODD. Thank you, Senator Coats.

Let me announce something ahead of time, so there will be no discrimination here whatsoever. I read all the statements last evening, those that were submitted to the committee. They are very competent, very thorough, very complete and very long. So I am going to tell you, first of all that all of your statements will be included in their entirety as part of the record; every word that you have submitted will be a part of the public record. But I would ask you to abbreviate. And I am going to put this crazy-looking thing up here in front of me, called a "time clock", on, so that we can get through the hearing without keeping people here all afternoon.

I am going to ask you to limit your comments to 6 minutes, and then we will get to questions. So I would ask you to pick out what

you believe to be the most salient parts of your testimony that you would like to share with us. Obviously, we have been over them, so we can ask you about all the data and information you have included in your prepared remarks.

Second, I would like to announce this morning as well that I will be introducing later this week or the first part of next week a resolution commending VISTA for 25 years of public service. Just a few months ago, we had a tremendous ceremony in the Rotunda of the Capitol. Loret Ruppe did a tremendous job, along with returned Peace Corps volunteers, to commemorate 25 years of service by the Peace Corps, and we intend to see if we can't do the same with VISTA.

There is a certain glamour associated with serving overseas, I think, as a Peace Corps volunteer, and it is not quite as glamorous to have been a VISTA volunteer—at least, in the eyes of some. I disagree with that conclusion. I think they have done a tremendous job in this country and deserve to be recognized.

So we will submit that resolution, and I would expect broad-based support for it. I have already talked with the Friends of VISTA and others to organize, and we will do everything we can to make space available, whether it is the Rotunda of the Capitol or another place, to highlight and pay special attention, at least for a short time on one day, to the work of VISTA volunteers to this country and to their efforts over the past 25 years. So I would make that announcement as well.

We will now receive for the record the prepared opening statements of Senator Kennedy and Senator Hatch.

[The prepared statements referred to follow:]

Prepared Opening Statement of Senator Kennedy

Today we begin the process of reexamining the Domestic Volunteer Service Act of 1973, which authorizes the Volunteers in Service to America Program (VISTA) and the Older American Volunteer Programs (OAVP). For twenty-five years, these programs have placed Americans in the front lines of the war on poverty, where their commitment and caring has made a difference. To these volunteers, we owe much gratitude.

I am pleased to welcome Mr. Derek Coehlo who is testifying today. Mr. Coehlo is the Director of Development at the St. Francis House Day Shelter for the Homeless in Boston, which was founded with the help of four VISTA volunteers in 1985. We are proud of the work that the St. Francis House is doing to help the homeless of Boston, and I look forward to Mr. Coehlo's testimony.

This year, much attention has focused on national service. It is fitting that the Domestic Volunteer Service Act should be reauthorized in this context of strong support for volunteer service. I have introduced legislation, which I call serve-America, to call on our Nation's students to serve their communities as part of their education in the responsibilities of citizenship. However, this is only one piece of a broader Federal effort to provide a continuity of service opportunities for Americans of all ages. VISTA and the Older American Volunteer programs—as time-tested, cost-effective service programs—should be essential components of America's expanded commitment to national service.

I will soon introduce legislation to double the number of volunteers serving under VISTA by 1993, which would restore the program to its peak level of the past. The number of Americans living in poverty increased by more than 6 million in the last decade, and today we face crisis levels of homelessness, hunger, drug-abuse, and illiteracy. During the same period, the number of VISTA volunteers was cut dramatically. It is time to bring VISTA back to full strength—I hope my colleagues on this committee will support his effort.

Older Americans also represent an indispensable resource in meeting the country's most urgent challenges, especially in areas such as long-term care and home

care for the elderly, services to teenage parents, and assistance to the disabled. As part of our comprehensive approach to national service, we should substantially expand the corps of older volunteers working in such areas—I hope to introduce legislation this month to achieve this objective.

I commend Chairman Dodd for assembling such a distinguished group of witnesses and look forward to their testimony.

PREPARED OPENING STATEMENT OF SENATOR HATCH

Mr. Chairman, I would like to thank you for expeditiously scheduling this hearing on the reauthorization of ACTION, our national volunteer agency. President Bush has made it clear that one of his priorities during his administration will be growth of the American volunteer spirit. The reauthorization of ACTION represents one of the cornerstones of this initiative on volunteerism in America. For as we seek to identify the means to encourage volunteerism, we must take advantage of existing expertise and experience—and that is ACTION.

Through the variety of programs administered by ACTION—including VISTA, the Retired Senior Volunteer Program, the Senior Companion Program, and the Foster Grandparent Program—the agency helps people of all ages make a difference in their local communities. And perhaps most importantly, ACTION is able to multiply our Nation's volunteer effort by providing technical assistance to fledgling community volunteer organizations.

The resulting network of community volunteer organizations helps concerned individuals to partially address some of the problems facing their community. For example, in Utah over 4,000 senior volunteers work in a variety of projects, including helping sick and disabled children and helping the frail elderly maintain their independence for as long as possible. These Older American Volunteer Programs provide dual benefits: they help those served by the programs and also help strengthen the sense of self-worth of the volunteers themselves.

One particularly successful Older American Volunteer Program is the Senior Companion Program. Through the program's emphasis on home health care, the Senior Companion Program not only serves the needs of both low income senior citizens and the homebound elderly, but also may help us bring down our Nation's healthcare costs by identifying cost-effective care.

In addition to these important programs which serve the needs of our seniors, VISTA and ACTION-funded drug programs help local communities to combat the insidious problems of poverty and drug abuse. I look forward to hearing the testimony from our distinguished witnesses today, and to learning of their suggested changes in the authorization of ACTION. For I firmly believe that, throughout this reauthorization process, we have to strive to understand what resource are required to enable ACTION to effectively accomplish its mission. I look forward to working with my colleagues on this important reauthorization.

Senator DODD. We have with us as our first witness Donna Alvarado, who is the Director of ACTION. Donna, we welcome you here this morning.

I would announce that Senator Rockefeller, who has a strong interest in this program as a former VISTA volunteer, will be coming shortly. When he does, Donna, I may interrupt you, if that is okay, and allow him to make a statement. I know he plans on coming over as soon as he can. But we will go ahead with you this morning.

I have read your statement. I thank you for submitting it ahead of time, and I will ask you to proceed in any manner which you deem appropriate.

Welcome.

STATEMENT OF DONNA ALVARADO, DIRECTOR, ACTION, ACCOMPANIED BY JANE KENNY, DEPUTY DIRECTOR, ACTION; ROLAND GOODMAN, ASSOCIATE DIRECTOR FOR MANAGEMENT AND BUDGET; AND LOWELL GINEBACH, DIRECTOR, PLANNING, POLICY AND BUDGET DIVISION.

Ms. ALVARADO. Thank you, Mr. Chairman.

Mr. Chairman, members of the subcommittee, I am pleased to appear today to discuss the reauthorization of ACTION, the Federal domestic volunteer agency, for fiscal year 1990, 1991 and 1992.

In so doing, we reaffirm our mission to promote and expand volunteer efforts across America, with particular emphasis on encouraging public/private partnerships in support of the poor and the elderly.

The agency's volunteers and staff and project directors have experienced tremendous success. During the past five years, for example, the number of our volunteers has gone from 350,000 to almost half a million in 1990.

The matching requirements for our programs range from 10 percent for our stipended Older American programs, and in reality, local communities are contributing 40 percent matching funds.

For RSVP, the requirement is 30 percent; local communities are pitching in 60 percent. And with the Student Community Service, the Federal match is about 80 percent.

All of these achievements have been accomplished despite a 20 percent reduction in agency staffing.

On February 24, 1989, I transmitted to Congress the Domestic Volunteer Service Act Amendments of 1989. Mr. Chairman, we particularly have appreciated your support of VISTA and the other ACTION programs during this period of budgetary constraint. Your support has enabled the agency to move forward in such important areas as increasing the subsistence allowance for VISTA volunteers, and we appreciate your having agreed to serve on the committee to commemorate the 25th anniversary of VISTA and the agency's activities in that regard, as well as the "Dear Colleague" letter that you have sent out, referencing VISTA service to your colleagues in their giving of commencement addresses.

We have been very fortunate in the leadership of this subcommittee. We appreciate Senator Hatch's commitment to the Older American volunteer programs and the other programs, particularly the Senior Companions, and we are very pleased to work with Senator Coats and his staff in carrying forward on our mission.

The fiscal year 1990 budget request of $170,417,000 now before you is the one submitted by former President Reagan on January 9, 1989. As you know, however, on February 9, 1989, President George Bush announced his budget plan, which included specific recommendations for several special initiatives.

At the same time, the President announced his plans for achieving substantial deficit reduction in fiscal year 1990 through the use of a portion of the large revenue growth of more than $80 billion for these purposes.

The budget plan, which has several aspects, includes a freeze at 1989 appropriations levels in the aggregate of a residual category of mainly discretionary domestic programs totally $136 billion. The

Bush administration is negotiating with Congress on the budget plan as a whole, including this residual freeze category, and I would point out that all of ACTION's programs are in this pool.

The fiscal year 1990 proposal now before you reflects increases in funding for VISTA and for program administration and calls for funding equal to that of fiscal year 1989 for the Student Community Service Program, the Citizen Participation and Volunteer Programs, and the Older American Volunteer programs.

This proposal would absorb current projects and the Literacy Corps volunteers into the regular VISTA program, thereby eliminating the need for a separate appropriation and administrative process for this component. The fiscal year 1990 budget would continue funding for the ACTION Drug Alliance activities at levels enacted prior to the passage of the Urgent Supplemental Appropriations Act of 1989.

And I would point out, Mr. Chairman, that the OMB policy for agencies coming forward for reauthorization is that our authorization limits is determined by the appropriation request for 1990; they must be equal.

The ACTION agency has been extraordinarily successful in leveraging Federal appropriations to generate more and more State, local and private sector resources for all our programs, and we have experienced steady growth in volunteer service levels. This reauthorization proposal would enable ACTION to continue to carry out our vital mission and realize our legislative mandate.

Volunteers in Service to America. VISTA is now celebrating its 25th anniversary year of placing full-time, stipended volunteers in community projects which assist low-income Americans. The VISTA volunteers assist in institutionalizing their activities through the generation of private sector financial and material support and through the recruitment of part-time local volunteers.

The total VISTA appropriation proposal for fiscal year 1990 is $23,615,000, which represents an increase of $1,968,000 above the fiscal year 1989 appropriation level. This proposal includes an 11.5 percent increase in the VISTA volunteer subsistence allowance, the transfer of all existing Literacy Corps projects and volunteers into the regular VISTA program, and the support of 2,600 volunteer service years.

In fiscal year 1990, we expect there to be nearly 675 projects engaged in such initiatives as the distribution of food to the hungry, literacy training, job development and training for the unemployed, drug abuse prevention activities, and assistance in the development of activities for at-risk populations.

Mr. Chairman, although the number of volunteer service years would in fact go down, the number of volunteers would remain the same in the fiscal year 1990 proposal.

Policy on renewals. VISTA volunteers have always been considered a temporary resource to the local community. They are to mobilize local resources to ensure the self-sufficiency of the projects after they leave. In reaching decisions on renewal applications, a primary consideration is to ensure that all eligible nonprofit organizations are given equal access to VISTA resources.

Currently, 15 percent of VISTA projects are four years and older. In this regard, it should also be noted that in fiscal year 1988, 212

new applications were approved; 66 of them were to organizations that were established in 1980 or later. Many of these organizations could not be doing their activities without VISTA. And I was pleased to see that one of our VISTA projects in Chicago will be cited later on by one of our witnesses as doing a fine job with senior citizens in the substance abuse area. This is one of those programs started in 1987 that would not have been able to be begun if the policy were changed.

For fiscal year 1991 and fiscal year 1992, the administration requests the authorization language provide such sums as may be necessary.

With regard to the Literacy Corps, as the committee knows, a separate Literacy Corps was first created by 1986 amendments to the Domestic Volunteer Service Act.

However, although the agency opposed it at that time, one enacted, we moved forward expeditiously, working together with committee members and staff, to implement.

The agency position continues to be that a separate Literacy Corps within VISTA and the establishment of a separate volunteer set-aside at the national level reduces the flexibility of local communities to effectively match volunteer resources with community needs, whether it be literacy, drug abuse prevention, homelessness, unemployment, or other areas of primary need.

Therefore, the administration is proposing that beginning in fiscal year 1990, all existing Literacy Corps projects and volunteers be transferred to the regular VISTA program and funded within that appropriation.

The fiscal year 1990 budget proposes $1,352,000 for Student Community Service to fund 131 grants to public agencies and private nonprofit organizations for the purpose of enhancing student volunteer programs focusing on the needs of local low-income communities. These grants provide seed money to organizations that develop projects involving secondary, vocational, and postsecondary student volunteers and part-time nonstipended volunteer activities.

Mr. Chairman, I note that Senator Rockefeller has arrived, and if you would like me to stop at this point and continue after his testimony, I would be happy to do that.

Senator DODD. No; please continue.

Ms. ALVARADO. OK.

The Citizen Participation and Volunteer Demonstration programs have three major program areas that are designed to mobilize volunteer action and to promote innovative demonstration efforts.

The authority for the Domestic Volunteer Service Act extends through September 30, 1989, and the authorization for the Drug Alliance extends through September 30, 1991.

The fiscal year 1990 budget proposes $2,650,000 for these three program areas. This request represents continued funding of the Citizen Participation and Demonstration programs at fiscal year 1989 levels and the ACTION Drug Alliance at the 1989 level prior to the enactment of the Urgent Supplemental Appropriation Act. The additional activities would be absorbed under ACTION's regular drug abuse prevention programs in fiscal year 1990.

The $1.6 million requested for the ACTION Drug Alliance program will enable the agency to award 44 grants focusing on drug abuse prevention and education and provide ongoing technical assistance to individuals and organizations.

The Older American Volunteer programs are authorized through September 30, 1989 under Title II of our enabling legislation. The fiscal year 1990 budget proposes $114,925,000, a level equal to our fiscal year 1989 funding. At this level, approximately 442,000 volunteers aged 60 and over would serve in the three OAVP programs.

RSVP provides opportunities for persons aged 60 and over with opportunities for volunteer service in their community. The fiscal year 1990 proposal is for $30,862,000. RSVP volunteers contribute 73 million hours of service at an estimated value of $242 million—a return of almost $8 for each one dollar of appropriated funds.

Current RSVP projects emphasize intergenerational activities, literacy, substance abuse prevention, in-home care for the elderly, and other important community priorities.

To ensure the continuation of the Foster Grandparent Program, we are requesting level funding. During calendar year 1987, non-ACTION sources contributed about $23 million to this program, which was the equivalent of 40 percent of the fiscal year 1988 appropriation. Twenty-seven thousand seven hundred foster grandparents—low-income persons aged 60 or older—assist approximately 70,000 children on a given day in all States and Territories. The budget proposes $58,928,000 for fiscal year 1990.

Senior Companions demonstrate that older persons can perform a critical role in contributing to the solutions of the problems of aging. In fiscal year 1990, the proposal is for $25,135,000. In fiscal year 1990, the program will continue to emphasize in-home services in coordination with existing community-based home health and long-term care systems. We anticipate approximately 7,600 volunteer service years and 142 projects, assisting over 30,000 adults in acute care and long-term care institutions. Non-ACTION funding to the Senior Companion Program was equivalent to 46 percent of the fiscal year 1988 appropriation.

Last, under program administration, the fiscal year 1990 budget request is $27,875,000, an increase of $2,876,000 above the fiscal year 1989 level. The $2,141,000 increase for personnel compensation and benefits is attributed to the need to provide 448 full-time-equivalent staff positions within the agency, both headquarters and in every State in the Nation, to carry out program development, training, monitoring, accountability reviews and evaluations.

The chart that we have provided over here to the left demonstrates that during the past ten years and earlier, that the tendency has been for the level of funding to continue to soar upward for the programs, whereas the program support level has actually diminished in real dollars because the agency has been every year faced with uncontrollable costs to absorb such as rents, telecommunications, pay raises and benefits, and the only place that these increases have been able to be absorbed is in areas that would have an adverse impact on agency programs such as staffing, planning, policy, training, monitoring visits. And we believe that we cannot

operate at maximum efficiency level as a result of the lack of funding to enable us to carry out these key support activities.

I would emphasize that ACTION, unlike some of the larger departments, is a people-to-people agency, and the success of our programs is directly contingent on the ability of our staff to reach out to grassroots organizations and low-income communities and help them through the morass of Federal red tape and be able to be eligible to apply and compete successfully for our grants.

Mr. Chairman, members of the subcommittee, this concludes my formal statement. Let me just reaffirm our continued commitment to achieving the goals of ACTION while keeping the cost of delivering these services as low as possible.

My staff and I will be pleased to answer any questions you may have, and we certainly look forward to working with you throughout this 101st Congress. Thank you.

[The prepared statement of Ms. Alvarado follows:]

PREPARED STATEMENT OF MS. ALVARADO

Mr. Chairman, members of the subcommittee, I am pleased to appear today to discuss the reauthorization of ACTION, the Federal Domestic volunteer Agency, for fiscal year 1990, 1991 and 1992. In so doing, we reaffirm our mission to promote and expand volunteer efforts across America, with particular emphasis on encouraging public/private partnerships in support of the poor and the elderly. On February 24, 1989, I transmitted to Congress the "Domestic Volunteer Service Act Amendments of 1989."

The fiscal year 1990 Budget request of $170,417,000 now before you is the one submitted by former President Reagan on January 9, 1989. As you know, however, on February 9, 1989, President George Bush announced his budget plan, which included specific recommendations for several special initiatives.

At the same time, the president announced his plans for achieving substantial deficit reduction in fiscal year 1990 through use of a portion of the large revenue growth of more than $80 billion for these purposes. The budget plan, which has several aspects, includes a freeze at 1989 levels, in the aggregate, of a residual category of mainly discretionary domestic programs totaling $136 billion. The Bush Administration is negotiating with Congress on the budget plan as a whole, including this residual freeze category. All of ACTION's programs are in this pool.

For items in the residual category, pending the outcome of negotiations with Congress, we are treating the Reagan budget proposals as if they were Bush proposals, which may need to be revised to reflect the results of such negotiations.

The fiscal year 1990 budget request now before you reflects increases in funding VISTA and for Program Administration, and calls for funding equal to that of fiscal year 1989 for the Student Community Service Program, the Citizen Participation and Volunteer Demonstration programs, and the Older American Volunteer programs. This request proposes to absorb current projects and the Literacy Corps Volunteers into the regular VISTA program, thereby eliminating the need for a separate appropriation and administrative process for this component. The fiscal year 1990 budget would continue funding for the ACTION Drug Alliance activities at levels enacted prior to the passage of the Urgent Supplement Appropriations Act of 1989.

The ACTION Agency has been extraordinarily successful in leveraging Federal appropriations to generate more and more State, local and private sector resources for all our programs, and we have experienced steady growth in volunteer service levels. This reauthorization request would enable ACTION to continue to carry out our vital mission and realize our legislative mandate.

Volunteers in Service to America

VISTA is now celebrating its 25th anniversary year of placing full-time, stipended volunteers in community projects which assist low-income Americans facing hunger, homelessness, illiteracy, drug abuse, and unemployment. VISTA volunteers assist in institutionalizing their activities through the generation of private sector financial and material support, and through the recruitment of part-time local volunteers.

The total VISTA appropriation request for fiscal year 1990, is $23,615,000, which represents an increase of $1,969,000 above the fiscal year 1989 appropriation level.

This request includes: (1) an 11.5 percent increase in the VISTA volunteer subsistence allowance; (2) the transfer of all existing Literacy Corps projects and volunteers into the regular VISTA program; and (3) support of 2,600 volunteer service years. In fiscal year 1990 we expect there to be nearly 675 projects engaged in such initiatives as the distribution of food to the hungry, literacy training, job development and training for the unemployed, drug abuse prevention activities, and assistance in the development of shelters for the homeless, runaways, and low-income youth.

Literacy Crops

As this committee knows, a separate Literacy Corps was first created by 1986 amendments to the Domestic Volunteer Service Act. The Agency has found that a separate Literacy Corps within VISTA and the establishment of a separate volunteer set-aside at the national level reduces the flexibility of local communities to effectively match volunteer resources with community needs, whether it be literacy, drug abuse prevention, homelessness, unemployment, or other areas of primary need. If in inner cities such as the South Bronx, the greatest demand may be for drug abuse prevention efforts, or in rural areas of Iowa the primary need may be for rural support efforts such as establishing marketing cooperatives, the VISTA program must retain its flexibility to be able to respond to those communities' needs. Although resources dedicated to literacy projects have traditionally been, and will continue to be, a major commitment of the VISTA program, we do not believe that a separate authorization or appropriation level is necessary or desirable. Therefore, the administration is proposing that beginning in fiscal year 1990, all existing Literacy Corps projects and volunteers would be transferred to the regular VISTA program and funded within that appropriation.

Student Community Service Program

The fiscal year 1990 budget requests $1,352,000 for the Student Community Service program to fund 131 grants to public agencies and private, nonprofit organizations for the purpose of enhancing student volunteer programs focusing on the needs of local low-income communities. Most significantly, these grants provide seed money to organizations that develop projects involving secondary, vocational, and post-secondary student volunteers in part-time, non-stipended activities. In recent years, Student Community Service volunteers have engaged in a wide range of services including Head Start, juvenile delinquency programs, drug abuse prevention and education, emergency shelters, soup kitchens and literacy programs. The fiscal year 1989 grants are expected to achieve an 80 percent non-Federal match.

Citizen Participation and Volunteer Demonstration Programs

The Citizen Participation and Volunteer Demonstration programs have three major program areas that are designed to mobilize voluntary action and to promote innovative demonstration efforts. These are the Citizen Participation Programs; the Volunteer Demonstration Programs; and the ACTION Drug Alliance. Their authority under the Domestic Volunteer Service Act of 1973 extends through September 30, 1989. The authorization for the Drug Alliance extends through September 30, 1991.

The fiscal year 1990 budget requests $2,650,000 for these three program areas. This request represents continued funding of Citizen Participation and Volunteer Demonstration programs at fiscal year 1989 levels, as well as, the ACTION Drug Alliance. The drug abuse prevention efforts funded by the urgent Supplemental Appropriation Act of 1989 will be absorbed under ACTION's regular drug abuse prevention programs in fiscal year 1990.

The major areas of the Citizen Participation Programs in fiscal year 1990 will include coalition-building efforts such as public-private partnerships, and technical assistance to ACTION's grantees and other volunteer organizations. The emphasis of the ACTION Volunteer Demonstration Programs will continue to be the development of comprehensive, community-based, drug abuse prevention efforts, specifically self-help organizations aiding low-income persons.

The $1.6 million requested for the ACTION Drug Alliance program will enable the Agency to award 44 grants focusing on drug abuse prevention and education and to provide ongoing technical assistance to individuals and organizations. The hallmark of the Drug Alliance program is the building of private sector partnerships which ensure the continuation of community-based drug abuse prevention projects beyond Federal funding. The Drug Alliance program employs diverse strategies to combat illegal drugs including the formation of broad-based local coalitions and summer youth drug prevention education programs.

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Older American Volunteer Programs (OAVP)

The Older American Volunteer Programs are authorized through September 30, 1989 under Title II of the Domestic Volunteer Service Act of 1973. The fiscal year 1990 budget requests for $114,925,000, a level equal to our fiscal year 1989 funding. At this level, approximately 442,400 volunteer aged 60 and over would serve in the three programs that comprise the Older American Volunteer Programs.

- *Retired Senior Volunteer Program*

  The Retired Senior Volunteer Program (RSVP) provides persons aged 60 and over with opportunities for volunteer service in their community. The fiscal year 1990 request for this program is $30,862,000.

  RSVP volunteers contribute 73.3 million hours of service at an estimated value of $242 million—a return of almost $8.00 for each $1.00 of appropriated funds. Current RSVP projects emphasize intergenerational activities, literacy, substance abuse education and prevention, in-home care for the elderly, consumer education, and crime prevention. By the end of fiscal year 1990, 402,200 older Americans will be participating in this program, which experienced a 13 percent increase in city and county government and private sector contributions from 1986 to 1987. This represents over $22 million in total funding.

  To ensure maximum use of program resources in fiscal year 1990, RSVP will provide guidance and technical assistance to expand opportunities available to older people, and continue to promote the use of RSVP volunteers paired with Senior Companions in providing in-home services for older homebound persons.

- *Foster Grandparent Program*

  We have had similar success with ACTION's Foster Grandparent Program (FGP). During calendar year 1987, non-ACTION sources contributed about $23 million which was equivalent to 40 percent of the fiscal year 1988 appropriation. In this program 27,700 Foster Grandparents—low-income persons age 60 or older—assist approximately 70,000 children on a given day in all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands. The budget request for $58,928,000 for FGP in fiscal year 1990.

  ACTION project grants provide Foster Grandparents with a non-taxable stipend, transportation to and from volunteer stations, an annual physical exam, accident and liability insurance, a meal on service days, and recognition for their activities assisting children suffering from various problems, including child abuse and neglect, physical and mental disabilities, juvenile delinquency, substance abuse, and adolescent pregnancy. In fiscal year 1990, a total of 262 community-based projects would be funded through FGP, with non-ACTION funds expected to support expansion of FGP activities.

- *Senior Companion Program (SCP)*

  Our Senior Companion Program demonstrates that older persons can perform a critical role in contributing to the solutions of the problem of aging. The fiscal year 1990 request level is $25,135,000.

  During fiscal year 1990, the program will continue to emphasize in-home services and coordination with existing community-based home health and long-term care systems. We anticipate approximately 7,600 volunteer service years in 142 projects, assisting over 30,000 adults in acute care and long-term care institutions. Respite care services, including assistance to Alzheimer's victims and their families, will continue. Non-ACTION funding of the SCP, moreover, was equivalent to 45 percent of the fiscal year 1988 appropriation.

The fiscal year 1990 budget request for Program Administration is $27,875,000, an increase of $2,876,000 above the fiscal year 1989 level. The $2,141,000 increase for personnel compensation and benefits is attributed to the need to provide 448 Full-Time-Equivalent (FTE) to carry out program development, training, monitoring, accountability reviews and evaluations. Program administration is authorized through September 30, 1989 under Title IV of the Domestic Volunteer Service Act of 1973 and requests reauthorization for such sums as may be necessary for fiscal year 1990, 1991, and 1992.

During fiscal year 1989 uncontrollable costs such as rents, telecommunications, pay raises and benefits have continued to rise. Moreover, these increases have to be absorbed in areas that will have an adverse effect on Agency programs. Staff planning, policy and direction from the national headquarters level cannot operate at maximum efficiency as a result of the lack of funding to fill key vacancies.

Mr. Chairman, members of the subcommittee, this concludes my formal statement. Let me just reaffirm our continued commitment to achieving the goals of ACTION while keeping the cost of delivering these services as low as possible. My

staff and I will be pleased to answer any questions you may have, and look forward to working with you throughout this 101st Congress.

Senator DODD. Thank you very much, Ms. Alvarado.

Do you want to just quickly introduce your staff that are here with you?

Ms. ALVARADO. To my left is Jane Kenny, the Deputy Director of Action; Roland Goodman, our Associate Director for Management and Budget; and Lowell Ginebach, the Director of our Planning, Policy and Budget Division.

Senator DODD. We welcome all of you here this morning, and we will come back to you briefly.

Senator DODD. I am delighted to have with us this morning a colleague and someone with whom I shared the common experience of volunteerism a couple of years ago, before this head started getting a big grayer.

Jay, it is a pleasure to have you with us here this morning as a former VISTA volunteer. So we welcome you, and we welcome your statement.

STATEMENT OF THE HON. JOHN D. ROCKEFELLER IV, U.S. SENATOR FROM THE STATE OF WEST VIRGINIA

Senator ROCKEFELLER. Thank you, Mr. Chairman.

I might just start out by saying that I think that what the administrator of ACTION has proposed, and that is the combining of all of these program into one—Literacy Corps, Foster Grandparents, Senior Companions and VISTA—cheesecake is a really bad idea, and I hope to make that a little bit more understandable as I go along.

I think VISTA depends on its own integrity and its own momentum, and when you start mixing up a lot of other things into it, it sort of brings back to my mind the days of the Reagan Federal block grant idea—in other words, put things together, and somehow you assume you are doing better—what usually is, after a while, as you put things together and find out that you are doing more things together and getting a lot less money to do it with, and I think generally things suffer. But that is another point, and I will come to it.

Obviously, I speak with a lot of feeling about VISTA, Mr. Chairman. Although I was not a Peace Corps volunteer like you were, I worked in Washington for Sergeant Shriver and the Peace Corps for a couple of years, and I think volunteerism is sort of the basic American ethic, which has to at least some extent disappeared, and I think part of that has taken place during the last ten years.

I still haven't gotten over the *Washington Post* article some two or three years ago which took a Bethesda high school and analyzed what the seniors wanted to do, and the answer, just right across the board was, "Make as much money as fast as I can." That was high school.

I am not sure if I am accurate in saying this, but I believe that one percent of last year's Yale University graduating senior class expressed any interest in going into public service. That is not a very cheerful note.

I would also notice that when I worked for the Peace Corps and did recruiting for them, I remember going to Pine Bluff Arkansas, to Arkansas AM&N, which at that time was an all-black college in extremely poor shape, with very poor resources, and their percentage of people who signed up for the Peace Corps was substantially higher than was the case at either Harvard or Radcliffe, where I also recruited. So that is just a lesson, I suppose, about when people have the chance to do something, or are born into a position of being able to do something, they don't always do it, and therefore you need programs like Peace Corps and VISTA to make America the caring Nation that it ought to be.

I think that some of that may come back under George Bush; he has talked about it seriously, and I think he cares about it, and I trust him in that judgment.

In any event, the 25th year means a lot to me, because VISTA turned my life upside-down—and I will be brief about that, and you have heard me say this before, Mr. Chairman. But I had no intention of either being in politics—it was the last thing in the world my father would have wanted me to do—and I was all set to go into a career in Asian affairs and spent a good ten years of my life preparing for that.

I dropped out of Harvard after my junior year and went to Japan for three years to a university over there, to learn the Japanese language, and was good at it, fluent at it, and took courses in Japanese. At the end of that time, I came back and finished up at Harvard in Far Eastern languages and history. I did not wait for my graduation, but went right on to Yale to start Chinese language.

I did that for a year, and then I got a letter from a fellow named Sergeant Shriver, who was running something called the Peace Corps, and he said, "Come work with us," which I did.

But then again, I was working on the Philippines program, and then I went to work for the State Department for two years, worked on their Indonesia desk, and then worked with Roger Hillsman during the time when they were trying to decide whether the Vietnam War was political or military. Hillsman said it was political, Kennedy felt it was military, so Hillsman went out, Bill Bundy came in, and I left also.

I was looking at that time to try to do one year in my life in America before I took the final plunge into Asian studies and got my Ph.D. and went on—and that was VISTA.

I went to West Virginia for a year. I had a good friend from West Virginia—I could have gone anywhere, I suppose; it wasn't really that important to me. But Kennedy had raised the profile of West Virginia enormously. I went there, and I worked in an old ex-coal mining camp, way, way out, miles beyond the end of the hard road, way, way back up in the hills. There were 56 families, a very small group of people, strung along three miles of a river on either side, 50 of those families on public assistance.

And more or less, the way those people made a go of it, to the extent they could, was to go into these things called "punch mines", "dog holes"—worked-out coal mines—they would go in, the boys as well as the men, and they would try to shoot some coal off the walls, scratch out a few lumps, make $8 or $10 a day to see if they could get a truck to come and take it somewhere. And if they

made that $8 or $10, then they could go down and get some food stamps, because in those days, as you remember, you had to have money when you went down to get food stamps.

It was a community that had not seen a doctor, had not seen a law enforcement officer, had not seen anybody for years. Then they saw me, and that was kind of a shock—some outsider coming in and saying he wanted to do good. That wasn't very credible; nobody had ever done much of that for that community.

So it really took me a year just to become accepted as an individual—as an individual—just working really hard. Doors were closed in my face constantly, because people had no reason to believe what I was saying. I had to have some ulterior motive; I might have been a revenuer from the Federal Government, looking for moonshine—I don't know what it was, but my purposes could not have been good.

So what I finally had to resort to doing was to kind of sitting on the railroad tracks and waiting for kids to come up to me. Kids always made things possible. They would come up to me, and as I befriended them, then I could go into their homes and eat their beans and cornbread with their families and then gradually, gradually, we began to get going after a year.

The effect on me was much greater than the effect on the people, and it is inevitably that way, like the Peace Corps. That is what it is about—it is really what it is meant to be about in some ways, because it not only helps to some extent the community—and if it is a large enough community, then it will support itself and sustain itself after the VISTA volunteer goes. In this case, it wasn't.

But I will just say, Mr. Chairman, our first meeting, I will never forget. It took me a year to get it going, a community meeting. People came in reluctantly. Women, who would tend to be more verbal in Appalachia, poor Appalachia, came and sat at the meeting, so to speak. Men came in and squatted on their haunches, so to speak, facing away from the meeting, so as to on the one hand say they were there, but on the other hand to prevent themselves from having to be humiliated by becoming a part of the conversation, because men are not as verbal, and in a sense, the humiliation of not having worked, or not having had a chance to work for a long time, so they did that extraordinary thing, which was an incredible thing to see.

I will give one example also of the feeling. At that time, there was a lot of anti-welfarism, as there is now, the feeling that if you are on welfare you do not want to work. And I can remember taking an 18 year-old boy who did want to work very, very, very much, who had not been able to go to high school because for a long time, a schoolbus never went out to Emmons, because there was a law that said the schoolbus did not have to go more than two miles beyond the end of the hard road, and we were a lot farther away than that. So obviously, these kids were not going to high school, which makes it hard to get a job.

But this kid wanted to, and I took him into Charleston, West Virginia, which is our State Capitol, and got him an interview at a business concern there. He had never been across the street, he had never been to Charleston, he had never seen a red light; we went up in an elevator, and he had never been in an elevator.

When we got out on the third floor, he was a scared individual—and he was my friend; he and I were one and the same; if he failed, I failed; if it worked for him, it worked for me—that is the way it is with VISTA volunteers.

So he went in and sat down for a job interview, and the sun was shining right in his face, as if I were talking to you, Mr. Chairman, and you had a big window behind your chair, and the sun was hitting me in the face. And the interviewer noticed that and said, "Son, will you go and let the blinds down?"

Well, of course, there were something called "Venetian blinds", and my friend from Emmons was not exactly acquainted with Venetian blinds. And if you think of them, they are two strings unattached on one side, and two strings attached at the other, and if you work them both right, they come down. And I watched him for a period of a minute or so—one of the most painful minutes of my life—trying to do that, obviously unable to do that, and we were watching him. I could not get up to help him, because that was wrong. And he finally went with his full weight, grabbed the bottom slats with his full weight to try and pull them down, and of course, he couldn't do it. And the result was that he was so humiliated as a human being that he could not even answer the question, "What is your name, Son?" and did not get the job, obviously—which signifies—and other VISTA volunteers who will testify after me and are much more recently familiar with it, I am sure will be able to say it better—but it signified to me this question of whose fault is this, anyway? I mean, do you blame that kid, or do you blame society, or what? But I knew one thing—I did not blame my friend. He went home, never did get a job, and left the State. I do not know where he is now.

But VISTA was so important, because we had success stories. After we had the first community meeting, we started what I think was the first preschool program in the State; we built a community center; we got a park donated to us; we built a library; we started music programs. For the first time, we started taking kids in for dental work, to a dentist who was willing to do it—there was a lot of dental work to be done in that community.

We had just dozens and dozens of programs going, except on Sunday, and it was sort of glorious—56 families suddenly cooperating in community development, organization, led by members of the community, and testing success.

Well, let me just make a couple of comments. I do think that VISTA has suffered in recent years, and I think in the 25th year it is okay to talk about VISTA and to reflect on it.

I did not finish the end of my story, my personal story, that the experience of working in that community was so overwhelmingly more powerful than the concept of being an observer—whether I was fluent in Japanese or Chinese or what—was irrelevant as opposed to being a participant. And all of a sudden, Emmons and its 250-odd people, so to speak, became much more important. So it turned my life upside down.

I went from there on to politics because being a VISTA volunteer in a sense is politics—you are trying to change the status quo. You are trying to get a schoolbus for the community, which we did; we had to go to the Board of Education three times. We made too

much time the first time we went there because we were too angry, and they threw us out. We went back and regrouped, and the second time we were too passive, so they didn't pay any attention to us. The third time, we practiced, and we got it right, and we got our schoolbus and kids started going to school. Although at the high school, which was a wealthy high school, when they got there they were called "crickers". It was very interesting to me—and I used to resent that horribly—a kid would go in with a single pair of pants; the rich kids from that particular high school would have all their clothes and make-up and earrings and all the rest of it; the kids from Emmons did not, and they would be called "crickers". Their teeth didn't look the same, they did not talk the same.

I noticed about a month ago that the public elementary school that all of my children went to was consolidated into an Emmons-like area, and on the front page of one of the newspapers there was a story about that, that those poor kids were being called "crickers", too, at the elementary school that my kids were going to.

Just a couple further comments. I really believe that VISTA cannot make the full contribution unless it reaches out more than I believe that it has been, Mr. Chairman.

You have to go out to colleges and recruit—and Donna may say what I am saying is wrong, and I hope she does—but there used to be a lot of aggressive recruiting on college campuses, just like there was for the Peace Corps, for VISTA. And when you recruit, you make people aware of what they can do. Recruiting is incredibly important for a program like VISTA. You cannot just wait for people to come to you. You have got to go to them. And that is part of the process of making America accountable to its less visible part. And an invisible VISTA cannot attract or convince motivated young citizens to serve, in my judgment.

Also, I wish there were more emphasis, as there used to be, on a so-called national VISTA program, and that is that you would specifically take somebody like myself from New York or Washington or wherever, and then put them elsewhere, put them in Appalachia. Take somebody from Charlotte and put them on an Indian reservation. Take somebody from San Francisco and put them in the Bronx. That was the whole idea then, was that you shook up people's lives. And there seems to be more interest today in taking people and putting them sort of where they are. I think that is wrong.

I think the concept of a national VISTA, a program where you see things that you did not know existed, and you are moved by them, I think that is what causes people to substantially change.

So, in concluding, I honor VISTA enormously. There are 250,000 volunteers. I hope there would be 400,000, 600,000, one million. We probably cannot afford that. There are a lot of local programs starting up, and they are helping.

But to combine VISTA with literacy, for example, the literacy program, Federally-funded, in West Virginia, which I know very, very well, and I have seen it operate, and I have talked to men who were illiterate, who did not want to talk to me because they were embarrassed, and you would have to go in and sit down in the

room and almost say, "It is okay," and then they kind of come around the wall and talk with you, and you talk about literacy—literacy is an extremely sensitive, intricate, psychological function as well as a reading function, and I just don't want to see that all mixed up into one gigantic program.

That will be for the administration and for the Congress to decide. But I want to see VISTA, which is really alive.

And in ending, as I say, I think there are lots of national service ideas around—I like them all—obviously, we cannot have them all; we have to pick one—Mikulski, Bumpers, Nunn, I don't know what it will be. But national service has to come back. The Peace Corps has to keep on being strong. VISTA has to keep on being strong.

I thank the chairman.

Senator DODD. Thank you very much, Jay, for your testimony. Sitting here listening to you, we don't get a chance often enough, I think, to talk about those experiences that were so meaningful in our lives—in your case, VISTA; in mine, the Peace Corps—and what a profound effect they had on us. And I couldn't agree with you more when you say—I would love to tell you that I eradicated ignorance, poverty and disease in Moncion in the Dominican Republic; the fact of the matter is that Moncion had a far more profound effect on me than I had on Moncion, and it certainly was a seminal event in my life as it obviously was in yours as well.

Before you arrived, I mentioned that I will be putting in a resolution this week or next week to commemorate the 25th anniversary of VISTA, and we have spoken with Friends of VISTA, and I will be asking Donna in a moment about what the administration plans to be doing in this regard. But we had a very successful program a few months ago in the Rotunda of the Capitol, recognizing 25 years of the Peace Corps, which received national media attention, and it actually helped, I am told by Loret Ruppe, just that one event, in terms of bumping applications up for Peace Corps slots.

So obviously, we would invite your participation and in fact, your leadership, in this particular regard, to see if we cannot arrange some worthwhile program and day where we invite people across the country who are former VISTA volunteers, those presently in the programs, to talk about what they are presently doing, maybe have workshops, so that people can appreciate what a tremendous contribution these thousands of people have made to this country through VISTA over the last 25 years.

Obviously, we will stay in touch with you on this reauthorization bill as well. One of the arguments will be over the Literacy Corps. Donna has already indicated they want to move that into the whole ACTION program. I have some questions for her about that. Senator Paul Simon will be here shortly, and I know he has some questions about it as the author of the Literacy Corps legislation. We are concerned about what may happen with the program.

So I thank you for coming this morning.

Dan, do you have any questions for Jay?

Senator COATS. No. I just thank you for your statement and your personal insight into the program and the impact it had on your life. You gave us a glimpse of a lot of what you have been through, and I think it is important that we hear that.

So many times, we are just confined to talking about numbers, statistics, increased funding levels, organization charts, and so forth; it is nice to get the testimony of someone who has actually felt and experienced and lived the program and to hear about the impact that it has had.

Thank you for your candidness.

Senator ROCKEFELLER. Thank you, Senator.

Senator DODD. Thank you, Jay.

Donna, again, we thank you for your patience.

Let me begin with some questions about the Literacy Corps, and then I know Senator Simon is going to be coming in shortly, and he can pick up on it.

Have you evaluated or has VISTA evaluated the Literacy Corps?

Ms. ALVARADO. Let me defer on that question, Senator, if I might, to Jane Kenny, our Deputy Director.

Ms. KENNY. Senator, we have not conducted an evaluation of the Literacy Corps to date.

Senator DODD. Is that required by law?

Ms. KENNY. We are requested to do periodic evaluations of all our programs. The Literacy Corps, because it is in actuality less than three years old, has not had one. However, I can say that we just recently completed an evaluation of the overall VISTA program, and except for the emphasis areas, all the major issues addressed in that evaluation are applicable to the Literacy Corps.

Senator DODD. Well, I appreciate that, but it seems to me if we are going to start talking about fundamentally changing the nature of the program without having an evaluation of the program, we may be getting the cart before the horse.

Why is that criticism invalid?

Ms. KENNY. Senator, I don't believe we are changing the program by transferring it into the regular VISTA program.

Senator DODD. Well, aren't you really in effect losing—by allowing, as you call it, the flexibility, if you have illiteracy at the rates we do, both in urban and rural America, I do not understand how you increase community flexibility if you do not deal with the basic, underlying problem that many of these people face in terms of jobs and employment, and having just heard Senator Rockefeller talk about it as more than just a reading and writing skill, but being a more profound problem that has been identified.

In fact, the President, to his credit, in his YES Program, has said what we want to do is form a YES Program, and the model for the program would be the Literacy Corps. Isn't that correct? Hasn't he said that?

Ms. ALVARADO. Senator, I think you are referring to the document that was submitted with the budget proposal, "Building a Better America."

Senator DODD. Yes.

Ms. ALVARADO. And as you know, one of the first official acts of the President when he came to the White House was to establish an Office for National Service within the White House, to establish policy on national service, and to direct the creation and the development of the YES proposal.

In that context, Greg Petersmeyer has been appointed as Deputy Assistant to the President for National Service, and he has re-

viewed a wide range of existing volunteer activities. Naturally, the first place to start was to look at the Federal programs, so the Literacy Corps is one example.

Senator DODD. Have you met with him?

Ms. ALVARADO. Yes, I have.

Senator DODD. Go ahead. I am sorry.

Ms. ALVARADO. Regarding the Literacy Corps and the Student Community Service Program and our Older American programs, we have had the opportunity to brief Mr. Petersmeyer on these approaches that we have taken within the Federal Government, and he has as well met with a wide range of community-based organizations and private sector volunteer groups as well.

Senator DODD. Well, my point is that I am correct, at least in that budget presentation, that the President cited two programs that he wanted to use as models for the YES program. One of those models was the VISTA Literacy Corps; is that not correct?

Ms. ALVARADO. Senator, I don't know that the term "model" per se, which would imply that the YES proposal will function in the same kind of way as the Federal Student Community Service and VISTA Literacy Corps programs, is really totally accurate.

The YES proposal has not yet been finalized or announced, and at that time we will know what the specific way of implementing that proposal will be; but certainly, these two programs were cited as specific Federal programs that are going to be carefully looked at in the development of the YES proposal.

Senator DODD. I mentioned, by the way, the 25th anniversary. Actually, I would like to tell you the 25th anniversary program for the Peace Corps was my idea. It was not; it was Loret Ruppe's idea. She was the one who came and asked what we would do, in fact, asked that we draft a resolution and so forth, and get the Rotunda, which required special legislation to use the Rotunda for that purpose.

What is ACTION planning on doing in terms of the 25th anniversary celebration?

Ms. ALVARADO. Well, Senator, we have a number of ideas that we have been discussing. We would like to have a celebration of 25 weeks to have this be an ongoing opportunity to increase the visibility of the VISTA program and the recognition of volunteers who have given a full year or more of their lives in service to the poor.

We are looking at special events in the sites of the original projects which were established in California, West Virginia and Kentucky.

We are going to be conducting a special celebration for current VISTA staff, and other events will be confirmed.

We are looking at the opportunity to develop new posters and new brochures, to get editorials by the VISTA Director in papers across the country, video news releases, and of course, special mailings to VISTA volunteers and project directors in recognition of their services.

We are also going to be talking to the Postal Service with regard to the opportunity of a special stamp commemorating VISTA.

These are some of the ideas, and we will proceed.

Senator DODD. Good. By the way, are you using any of your 1989 appropriation funds for that?

Ms. KENNEDY. The activities that are related to recruitment and recognition of volunteers directly will be part of our appropriation. It will come out of our approximately $125,000——

Senator DODD. I am talking about the recognition of the 25th anniversary.

Ms. KENNY. No, there is not a separate appropriation for that, sir, no.

Senator DODD. So you have not included any of that in the present request?

Ms. KENNY. No, sir—it is my understanding, and I met with Loret Ruppe on this, that it was not in keeping with statutory authority to have separate funds for a specific anniversary recognition. But to the degree that the anniversary activities are related to recruitment or recognition of volunteers, then it is an appropriate expenditure.

Senator DODD. Let me go into the recruitment, since that has come up. In the past eight years, as far as the committee is aware, there have been no print, radio or TV ads for VISTA, with the exception of an ad that ran twice in the last year and a half in college newspapers.

How in the world do you ever expect to recruit at college campuses? We heard Senator Rockefeller talk about it. We know of the extensive recruiting efforts that the Peace Corps does. In fact, I get asked to do it. I have been asked to do things in my own State, in terms of talking on college campuses, which I am always anxious to do, to get people to consider volunteering.

Why has there been such an incredibly poor recruiting effort here? First of all, if my statement is not correct, I wish you would tell me, but if that is correct, I find that appalling.

Ms. KENNY. Senator, I will begin by saying that, within existing budget constraints, we have had additional activities. There have been several, including distribution of tear-off postcards and VISTA brochures to 2,200 college placement offices. I believe we have done that three times in the last two years.

In addition, as you noted, we have had ads in college campus newspapers.

Senator DODD. Twice?

Ms. KENNY. Twice which the newspaper ads or the mailings?

Senator DODD. As I understand, it ran twice in the last year and a half in college newspapers——

Ms. KENNY. That is correct.

Senator DODD [continuing.] —in eight years, in eight years.

Ms. KENNY. I cannot speak for the prior six years. I can only speak to my tenure as Director of VISTA for two years.

Senator DODD. Well, does anyone else here know that? Am I incorrect in that statement, that we have had two college newspaper ads in the last year and a half, in eight years?

Ms. KENNY. I will be happy to research that and provide it for the record, but we do not have that information with us today.

[Information subsequently supplied follows:]

College and University Newspaper Advertising

Question. How much college and university newspaper advertising has been done for VISTA in the last 8 years?

Answer. According to ACTION Order 1620.2, Public Affairs/Public Relations retires publicity related to programs after three years to the Federal Records Center. For this reason data prior to fiscal year 1986 is not available. Our records do indicate that in the third quarter of fiscal year 1988 ACTION placed orders with college newspapers to run a VISTA recruiting ad aimed primarily at those about to graduate. The cost of this campaign was $24,636 with multiple insertions at State universities and other institutions with large student bodies.

In the fourth quarter of fiscal year 1988, as well as the first quarter of fiscal year 1989, the ad was ordered again as a "back-to-school" effort. The same schools ran the advertising at a nationally-charged rate of $17,100.

Ms. Kenny. In addition to the activities I have cited, I think it is important to note difficulties we do face regarding recruitment. Last year we did incur an $882,000 budget cut by Congress in the VISTA program below our request, which we discussed in correspondence with the committee and subsequently in meetings with various staff member. It required us to reduce the amount of recruitment and recognition activities that we have for the VISTA program.

As may be known to some members of the committee, approximately 75 percent of the VISTA budget is a fixed cost for subsistence allowance. That leaves us very little leeway in terms of other additional activities we can fund for recognition and recruitment.

Senator Dodd. How much of the present budget request that you have is for VISTA awareness and recruitment?

Ms. Kenny. Last year, it was $100,000 for communication, and 50 percent of that was directed to direct marketing of recent college graduates. This year, our budget is $135,000, and again, 50 percent is directly targeted to recent college graduates.

Senator Dodd. Now, is that going to be for print, radio, TV ads?

Ms. Kenny. There are no TV ads. We have radio PSA announcements that we have used in the past, but that is not toward direct recruitment; it is general recognition of the VISTA program.

Ms. Alvarado. Senator, if I could add to that, I think that we have to look at the extent of and the means that we use in promoting the recognition and the public awareness of VISTA in direct relationship with the recruitment efforts. I think they are tied one and the same, as you have indicated.

As you know, most of the VISTA volunteers currently serving are recruited locally within the community. We believe that to the extent that individuals who are able and willing to serve within local communities are willing to make that commitment to work within the low-income community, the fact that they have a vested interest in the community and are likely to stay there is of benefit not only to themselves in their service, but also to the community itself.

Also, this provides flexibility for our VISTA supervisors on projects to recruit from within the local area. I know that there are differing views on that, and I know that there are those who feel that it would be better for ACTION to go back and to have VISTA be nationally recruited, as the Peace Corps is. There is a fundamental difference between the way the Peace Corps and the

ACTION/VISTA programs are funded, recruited and publicized for that very key reason, that they are nationally recruiting.

I would point out that although I do agree that it is important to provide opportunities for people who have the skills and the desire to serve in communities other than their own to be able to do that, and within budget constraints, we have attempted to address that with the VISTA Talent Bank and the activities that we have directed toward college recruitment. But I would also have to clarify something else that sometimes gets lost in the discussion when we talk about providing the opportunity for college graduates, specifically, because that is usually who is targeted when we are talking about national recruitment, to serve within VISTA. The fact of the matter is that low-income communities the VISTA client base, are disproportionately populated by individuals of ethnic, racial, and cultural minority groups. Today's recent college graduates tend, because of who is getting into college and attending college at this point in our history, to be middle class students, rather than individuals from impoverished communities.

Now, to the extent that middle class students, recent college graduates, can be fit into opportunities in local VISTA projects, whether they are on Indian reservations or in other low-income communities, I can see the benefit of that. But I also think it is important to recognize that the complexity of the poverty issue and the fact that there are talented individuals within these communities who can serve as role models if provided the opportunity to indicate that there is a tremendous benefit to encouraging people who come from within the community to lead self help efforts as VISTA volunteers, rather than disproportionately relying on VISTA volunteers from outside the community. As you have noted in your experience as a Peace Corps volunteer, and Senator Rockefeller has as a VISTA volunteer, the individual who comes away with the greatest gain frequently is the volunteer himself. And many low-income minority individuals do not have this unique opportunity for growth through service in any other kind of program.

So I would hope that in the effort to discuss national recruitment, we also take these factors into account.

Senator DODD. That is fine. But if you don't even do local TV ads or local radio spots or local newspaper ads—I am not asking that you go out and buy a spot that shows up on the NCAA basketball tournament. And the numbers—a 47 percent drop—I do not care whether they are college graduates or not, whether they are white, middle class, upper-income, college graduates. That has nothing to do with those numbers. We have had a 47 percent drop in age 18 to 27 year-olds in ten years.

Ms. ALVARADO. Senator, one thing that I am particularly proud to point out, however, is that when you look at the age distribution of VISTA volunteers in comparison with the demographics of the country, we are right in sync in terms of having the same percentage of people within the 18-to-25 age group serving in VISTA as exist in the general population in the country.

Senator DODD. But that wasn't the point. In other words, as the population gets older, that is where the bulk ought to come from? I mean, we are trying to get young people to serve. And if you are

not going to go out on college campuses, if you are only going to have two newspaper ads in eight years in college campuses——

Ms. ALVARADO. I was simply attempting to point out, Mr. Chairman, that the VISTA legislation as we have interpreted it is that Americans from all walks of life be given the opportunity to serve within VISTA, and that——

Senator DODD. The fact of the matter, Donna, and the reality, is that when you are an 18 to 27 year-old, you can afford the subsistence pay—and we will get into that in a minute. But when you get into that middle age category, when you have a family, it gets more difficult, and when you get older, it gets more difficult. One of the reasons that we attract younger people is because at that stage of your life, you can afford to live on $5,000 or $6,000 a year. It gets more difficult when you are older; isn't that true?

Ms. ALVARADO. Well, I would say that the average age of the VISTA volunteer today is about 36 years of age. So there is a pretty good spread.

Senator DODD. What sort of personnel and staff do you have to do the public relations that we talked about? What is your capacity right now?

Ms. ALVARADO. I will turn to Jane Kenny for the specifics on that. But the bottom line is that we rely for the most part on our VISTA program funding for public awareness and recognition activities. There is very little in the program support budget that has been available over the years to make available for program-specific recognition within our public affairs office. And that has posed a constraint, there is no doubt about it, as we have pointed out how the program administration funds have been much lower in terms of growth, with regard to the program budget. That has been difficult.

Senator DODD. What do you have now in terms of personnel?

Ms. KENNY. Within the VISTA headquarters, we have three people who cover the 800 number in terms of basic information concerning recruitment.

Senator DODD. They answer the phone.

Ms. KENNY. The 800 number, yes, sir.

Senator DODD. Now, how about people in charge of putting together the recruitment and public awareness of VISTA; what do you have in terms of personnel capacity in that regard?

Ms. KENNY. That is handled by our VISTA headquarters staff in terms of distributing mail in response to the 800 number.

Senator DODD. That's it? I mean, you don't have anybody else doing any work in recruitment or public awareness for VISTA?

Ms. KENNY. Not separately for that, other than our headquarters staff, that is correct. I should also point out, though, that the main purpose of the 800 number is to get people in touch with the ACTION State offices where the program development and recruitment actually takes place.

Senator DODD. But that is someone on their own, making a call to you; you are not making a call out to somebody to get them to consider joining VISTA.

Ms. KENNY. That is correct.

Senator DODD. You are just responding to people who are calling in.

Ms. KENNY. That is correct.

Senator DODD. You have, in other words, no present staff at headquarters level to work on increasing public awareness of VISTA or recruitment?

Ms. KENNY. That is part of our assignments of all the VISTA headquarters staff, in terms of developing mailings for the college placement offices, in terms of developing the ads for the campus newspapers.

Senator DODD. But at the national level, obviously, you have got to design and put together efforts on recruitment and public awareness; is that not true?

Ms. KENNY. Yes.

Senator DODD. All right. What are you planning on in this next budget—since you have identified a rather, I think, good list in terms of things in terms of the 25th anniversary that are involved in recruitment—what sort of personnel are you talking about for that particular role?

Ms. KENNY. The person who will be mainly coordinating the 25th anniversary will be the director of our public affairs office in coordination with the director of VISTA. In addition, we also have regional staff and State staff who will be coordinating the activities at the local level.

Senator DODD. Now, at the local level, in terms of recruitment and public awareness of VISTA, is that done on a voluntary basis, or are there people actually at the State offices or local offices who are in charge of creating publicity about VISTA?

Ms. KENNY. It is part of the job descriptions of people both at the regional and the staff level, in terms of volunteer recognition, enhancement and recruitment.

Ms. ALVARADO. Senator, in that regard, I would point out that the people in the ACTION agency are very committed Federal employees. However, there has been a significant reduction in staffing during the past four years when I first came onboard in the agency, we had a full-time-equivalent level of 511 people; that has now gone down to what can be funded in 1989 to 416. Nevertheless, this reduced work force is responsible for finding new VISTA sponsors, for overseeing the management of existing projects for assisting projects in recruitment, for promoting the VISTA program, and for doing all of the other ACTION programs as well.

Now, with the 20 percent reduction in support funds, obviously, there has not been the optimal level of activity that there might have otherwise been. But I do think that that is a reality that we face which must be considered. Despite the best efforts of people performing the responsibilities of two and three different jobs, when you go from 511 to 416, something is going to have to give, and people are basically trying to do the best job that they can—but there isn't a lot of spare time.

Senator DODD. Four hundred and sixteen people?

Ms. ALVARADO. Four hundred and sixteen full-time-equivalent positions, which is about 430 people.

Senator DODD. You have 430 people, which is in part responsible for the public awareness and recruitment of VISTA?

Ms. ALVARADO. That is correct, Senator, as well as all of the other agency functions.

Senator DODD. And you have had two newspapers ads in college newspapers in eight years?

Ms. ALVARADO. Well, to further elaborate, many of these individuals are dispersed across the country in our State offices, which are usually staffed by about four or five people, and in the regional offices. They do go out and promote VISTA to the extent that they can—but with their limited time and travel funds, I have to be honest in saying that most of their time is devoted to program development and program monitoring in order to accommodate the increasing number of VISTA volunteer service years that the agency has absorbed and been appropriated despite the reduction in program support dollars for staffing.

Senator DODD. By the way, Donna, let me say I understand the problems with OMB and how that thing goes back and forth. All of us who have been around here for any period of time are sensitive to that.

Let me turn to the author of the Literacy Corps—and I know, Donna, he has got some questions.

Senator Simon?

Senator SIMON. First, let me just, if I may, follow on briefly—and I am not a member of this subcommittee—but to follow on briefly on the recruitment.

I find on college campuses—and I speak there fairly frequently—that most people are not even aware that VISTA exists. And when I explain VISTA somewhere, I have to explain what it is. I think those 430 people, really, we have got to have at least two or three of them working on promotion. I think that is one of the clear messages from this hearing.

I notice you want to do away with the Literacy Corps. I assume you think we have solved our literacy problems in this Nation, and therefore we can do away with the Literacy Corps.

Is there any indication that the illiteracy problem has diminished in any way?

Ms. ALVARADO. Senator, the agency's position with regard to merging the VISTA Literacy Corps within the regular VISTA program is in no way related to the agency's belief that there has been any kind of resolution of illiteracy in the Nation.

What we are simply attempting to do is to ensure the flexibility of local communities to identify the priorities that they believe are paramount for VISTA projects to meet with regard to the needs of the low-income individuals in their communities. And the belief of the agency is that, as in the past before the Literacy Corps was established, we will continue to dedicate a significant portion of our resources toward literacy efforts, just as we do within RSVP and within the Foster Grandparent Program and the Student Community Service Program, where there is no separate set-aside for literacy.

But we believe that in the interest of flexibility for the local communities, it is better for them to be able to identify whether in fact literacy is their top priority as opposed to homelessness or hunger or other issues. But it is in no way related to a belief that illiteracy has been solved in the Nation.

Senator SIMON. The word "flexibility" is tossed around a great deal around here. I had a proposal on the College Work-Study Pro-

gram for college aid, that we focus a significant amount of it on literacy. Well, they said, we want flexibility. So at the various schools, all of a sudden, I find literacy gets hardly paid attention to at all.

I am for flexibility, but I also want to see that we really move on the problem. And I have not talked to Barbara Bush about this particular proposal, but I think I know what she would have to say about it.

I think we ought to be strengthening our efforts on literacy. It does not pay off as quickly and as dramatically as some other things. You cannot walk down the street and see something that has been restored, you cannot get that personal pride in seeing something physical that has happened. But in terms of the needs of our society, it seems to me very, very clear that we have to move in this area.

And I cannot speak for my colleagues, but I would be amazed if we moved away from the Literacy Corps.

When you say people want to have greater flexibility, how much complaint have you had at the local level about the Literacy Corps?

Ms. KENNY. Senator, I can give you an example of where the separate appropriation and authorization for the Literacy Corps has caused difficulty within communities.

At one of our previous hearings before Senator Harkin, he specifically asked us to explain why the VISTA literacy projects in the State of Iowa, had in effect been put on hold when he knew that in the regular VISTA program, they were underdeveloped in his State, and they could place additional volunteers if they wished to do so.

When we looked into the matter, it became apparent that all of his literacy projects were funded under section 109 of what we call the VISTA Literacy Corps Supplement.

What we did to accommodate the difficulty in his State was to transfer all of the literacy projects in Iowa from being funded under the section 109 appropriation to being funded under the regular VISTA program appropriation. They are now funded under a different appropriation, and we have in essence moved the volunteers as well.

One of the things we pointed out which came up subsequently in discussions with Congressman Williams, was the consequence if the situation had been reversed. Specifically, if all the literacy projects that he was talking about had been funded under the regular VISTA program, and there was underdevelopment under section 109, we probably would have had difficulty resolving the matter because it would have put us in a situation of appearing to supplant rather than supplement literacy activities.

He has subsequently indicated that the administrative aspects of this should be addressed, because it is causing burdens on both the stabilization and administration of literacy projects. To have two separate literacy initiatives within one program is causing difficulty at the local community as well as within the ACTION agency in the administration of these programs.

Senator SIMON. Now, so that I understand how things work, let's just say there aren't as great needs in Iowa or in Minnesota for lit-

eracy as elsewhere. Can't you shift those funds, that literacy part of the program, to Illinois, to New York, to New Mexico, other places where there are great needs?

Ms. KENNY. We do have some flexibility in that regard, Senator, but I think it should also be noted that in the normal development of VISTA programming, it takes approximately 6 months to develop a project. So in keeping with the authorizing legislation of the VISTA program, we deliberately target our funds to go into the greatest area of poverty.

Senator SIMON. Let me understand again—first of all, I have been around enough to know that even in Iowa and even in Minnesota there are great literacy problems. Senator Harkin contacted you in Iowa, and how did this become a problem, that you had to have a literacy project there?

Ms. KENNY. Senator, what happened was that we in essence have two programs going on related to VISTA. One is the regular VISTA program and one is the Literacy Corps supplement. We had to put a freeze on all of the Literacy Corps supplement, Literacy Corps Section 109 programs, in his State, because they in essence were at their ceiling in terms of their fiscal year 1989 appropriation.

They were at the same time under-represented in their regular VISTA program, and they were having difficulty recruiting other volunteers and activities and development in that area. So to accommodate his request, we shifted all the section 109 funding back into the regular VISTA program in order to, basically, lift the freeze on the section 109 activities.

Senator SIMON. Is that within the statute, you can do that?

Ms. KENNY. It is our belief that the intent of Congress is that we can move section 109 funding back into the regular VISTA program, but that we would not be able to move regular VISTA projects into section 109, because that would be contrary to the intent, which was that we were to supplement rather than supplant activities related to literacy in VISTA programming. Congressman Williams acknowledged that that was a difficulty and that he hoped we would collectively be able to address it in our reauthorization and appropriation this year.

Senator SIMON. Well, I guess what we are interested in is giving you flexibility, but we are not going to do away with the Literacy Corps—at least we are not going to in the U.S. Senate if I have anything to do with it.

If there is some way of giving you a little greater flexibility, I am for it. But frankly, we need much greater emphasis on literacy, not less emphasis on literacy. And to just do away with the amendment that was adopted in 1986, I have been around here long enough to know that literacy emphasis would just go down. And that is not what this Nation needs.

Ms. ALVARADO. Senator, we will be happy to work with you and your staff in discussing the flexibility issue. But I do want you to know that I personally have a very sincere commitment to literacy, and I believe that the statistics and the numbers of volunteers that we have assigned to literacy projects in our other programs where there is not a requirement to do so will bear that out. That includes RSVP, with 16,000 volunteers working on the problem of lit-

eracy, and 7,300 Foster Grandparents, at the cost of $17 million, which is almost three-fourths of the VISTA funding right there, tutoring young children who have special needs. And I can assure you that we look forward to working with you and discussing the issue of flexibility, but that I do believe that literacy will continue to be, as you say, a primary focus area for an agency that is basically anti-poverty-oriented.

Senator SIMON. Great. I want to back up your commitment to literacy by seeing that the law says that, too, and I appreciate it.

Thank you very, very much for your testimony. We look forward to working with you.

Senator SIMON. Our next witnesses are a panel composed of an old friend of many, many years—I should not say an "old" friend; I should say a "young" friend—Monsignor John Egan, Assistant to the President for Community Affairs from DePaul University in Chicago; Derek Coelho, from St. Francis House in Boston; Kevin Smith, Literacy Volunteers of America-New York State; and Nancy Wood, the Director for Service Learning at Earlham College in Richmond, Indiana.

We are very happy to have you here. I am just presiding temporarily while Senator Dodd is handling some other matters in the Banking Committee. We are very pleased to have you here, and if we could ask you to confine your oral statements to five minutes, we will enter your written statements into the record.

Monsignor Egan, we will start with you.

STATEMENTS OF MONSIGNOR JOHN J. EGAN, ASSISTANT TO THE PRESIDENT FOR COMMUNITY AFFAIRS, DEPAUL UNIVERSITY, CHICAGO, IL, ACCOMPANIED BY LISA WOLL, DIRECTOR, FRIENDS OF VISTA; DEREK COELHO, ST. FRANCIS HOUSE, BOSTON, MA; KEVIN G. SMITH, DIRECTOR, LITERACY VOLUNTEERS OF AMERICA-NEW YORK STATE, INC., BUFFALO, NY, AND NANCY WOOD, DIRECTOR, SERVICE LEARNING, EARLHAM COLLEGE, RICHMOND, IN

Monsignor EGAN. The time that I have been allowed, Senator Simon, has decreased 1 minute since you came in.

Senator SIMON. Was it 6 minutes? Well, we had better follow the rules of the committee and give you 6 minutes, then, rather than 5 minutes.

Monsignor EGAN. Well, I am very glad you have the light system; I am going to suggest it to my Cardinal in Chicago, that it should be the proper thing for every sermon in every church in Chicago, too.

Senator SIMON. Cardinal Bernardine follows that, as I recall; his sermons tend to be good as well as short. [Laughter.]

Monsignor EGAN. It seems to me that this testimony today may be unnecessary, because everybody seems to be for everything relating to VISTA and the Literacy Corps and so forth—maybe I was not hearing it correctly.

I have got a feeling that at the 25th anniversary of VISTA, instead of having a party, from what I am hearing around the country, I think we ought to have a wake and a funeral.

It seems to me that this is the best-kept secret in the United States. Yesterday morning, I had breakfast with Georgeanne Guyer, one of the more distinguished columnists in the United States, and she said, "I thought VISTA was out of existence."

I talked to two of the great community organizers in Brooklyn yesterday and they said the same thing, that they had not heard of VISTA for a long, long time.

And I am talking to cab drivers and everybody else, and they haven't heard of VISTA for such a long time.

And if my memory serves me correctly, Senator, I heard Ms. Kenny just about a year ago saying there was no need for recruitment since they had enough people to fill the slots.

I think we really ought to begin talking sense to the American people about VISTA. It is a very, very important program. And I think, instead of looking for the amount of moneys that we are looking for, we need to expand it.

I am honored to come before you as a priest who not only is a friend of yours, but as you and I have gone through many, many experiences together—I lived and shared my life for many years with the poor, the illiterate, the unemployed, and the homeless in the City of Chicago.

And if I might just make a comment to Ms. Alvarado, it was the program of awards which was begun in 1987, not the VISTA's. The VISTA's were senior citizens who had been working in this drug program. And there are many, many citizens across our land who desire to serve their peers as senior citizens in what we have just begun to realize is a very serious drug problem amongst our senior citizens who are chemically dependent—as chemically dependent as some of the dope addicts that we find in any of the large cities like Chicago.

Now, I think that example of the senior citizens and the relationship of the VISTA volunteers to this particular program also has an element of tragedy, because I believe, Senators, unless you act with some courage and compassion, the VISTA program, which has already been severely crippled by being cut in half and which the previous administration, which we all know desired to put out of existence, will never again achieve the goals set for it, even though for many years it was one of the most vital, dynamic and well-administered programs for volunteers who wished to assist our Nation's poor.

May I respectfully suggest and remind you that volunteerism as we know it in this country is one of the most vital results coming from our Judeo-Christian tradition; perhaps more to the point for us here today, it rests upon the finest traditions of our Nation.

It would be hard for us to point out a Nation where volunteerism is so respected and where the generosity of our young people can be harvested to serve the ever-growing needs of our country.

When we asked Ann Landers to write a column in 1987 to help us locate former VISTA volunteers and tell about their experiences, out of the nearly 3,000 former VISTA volunteers who replied, 90 percent pleaded for VISTA to continue, and 78 percent indicated how VISTA changed their lives permanently to make them both aware and active in the solution of social problems.

Now, everybody in this room needs models. We are sitting here today because we were trained in several skills; we had models or mentors to guide and to sustain us. I submit to you, as one who has engaged the help of thousands of volunteers in my years as a priest, that the private sector cannot and should not be expected to do this task alone.

If the Peace Corps is still needed across the world by nations which desire it, and it is doing so well, the need in our country is no less severe.

Let me submit to you that the governance of this country is in the hands of the Senators and representatives of our Nation; that from where I look in the ghettos and the poverty areas of Chicago, a time bomb is ticking. Although there are many, many causes for violence, for crime, for inappropriate education, for lack of decent housing, absence of job training, one can see hope. There is a generous willingness among our people, particularly among the young and the elderly, to devote some time, energy and skills and talents of their lives to ameliorate those conditions which bear most heavily upon the elderly and the people among us who have not had our advantages.

It is hardly my purpose to relate to you any events in my life, but I am honored that I was among a small group of urban affairs officers in the Catholic Church when we designed and helped implement a program in the Catholic Church which you know as the Campaign for Human Development, which has been eminently successful, not for handouts, but through organizations which empower the poor to design programs that will help them help themselves.

But year after year, we have had funds to respond to only one out of every ten requests for assistance which come to us from across the land, from all religious denominations and from all racial and ethnic groups.

In 1981, the Campaign for Human Development did a survey and found that one-half of its CHD-funded programs used VISTA volunteers. When I checked with the Campaign office last week, they found only a few volunteers in citizens' programs in a couple of States across the Union.

Similarly, in a call I made to Marie Cirillo in Appalachia last week, she told me that in the late Sixties and early Seventies, they had hundreds of VISTA volunteers in Tennessee and Kentucky. They were enthusiastic and hard-working in the many important programs to aid and empower the poor. Even though they were residents of the area and working with their own, they had to withstand the taunts of being "Communists" because they were helping the poor. She said the number has now dwindled to one-fifth of what it used to be, and that the volunteers are forbidden to do any work which would give the poor initiative to solve their own problems. They are instructed by VISTA in Washington to work only in "safe" projects like reading to the elderly.

Mr. Douglas Dobmeyer, who heads up the Public Welfare Coalition in Chicago, a man who has done more for the homeless than anyone else I know in the city, originally came to Chicago as a VISTA volunteer. As a former VISTA, he was especially disappointed that the few VISTA projects existing in Chicago today are

so low-profile that he was not even aware of their existence until he made a call to the Chicago VISTA office.

If it be the will of Congress to kill the VISTA programs, as seemed apparent in the last administration, then at least let's have the courage and the decency to say so. If not, then, for the welfare of our citizens, see to it that the adequate allocation of funds and experienced and dedicated personnel to administer those funds are put in place so that the program of VISTA will have a new birth and develop a vitality commensurate with its hope and achievements of earlier days.

I speak this way——

Senator SIMON. I hate to interrupt a constituent of mine, but if you could conclude your remarks. That six minutes has been used up.

Monsignor EGAN. Very good, Senator.

I will conclude. Not to do what we are suggesting to do, Senator, I submit to you is to make a mockery of the finest traditions of our democracy and to make words like "a kinder and gentler nation" ring hollow in our mouths, especially at a time when VISTA can and should be the centerpiece of any new programs of national service.

Thank you very much, Senator.

Senator SIMON. I thank you for your vigorous and typically forthright statement.

[The prepared statement of Monsignor Egan follows:]

PREPARED STATEMENT OF MONSIGNOR EGAN

Mr. Chairman, members of the committee, I appreciate the opportunity to appear before you today.

My name is Monsignor John J. Egan. I am Assistant to the president for Community Affairs at DePaul University in Chicago, and a priest of the Archdiocese of Chicago.

Senators, all of you have your own histories. I am honored to come before you as a priest who has lived most of his life and shared many of his years with the poor, the illiterate, the unemployed, the homeless, in the great city of Chicago.

About two weeks ago in Chicago, I participated in the presentation of the ENCORE Awards of the Retirement Research Foundation. Begun in 1987, this community awards program was established to recognize exemplary community programs for their accomplishments in enhancing the quality of life for the elderly and to foster replication of such models in other Chicago area communities.

This year, one of the three winners was the Illinois State Council of Senior Citizens' Foundation for its *Drug Education Program* for Senior Citizens, which reached over 5,000 seniors in more than 50 clubs and organizations.

Working in cooperation with professional pharmacists, the program is designed to provide seniors with the tools to evaluate their own use of medication and to explain the danger signals of drug misuse.

Senators, I particularly point out this valuable program in our area because it is run by ten (10) VISTA volunteers, all of whom are senior citizens in their sixties and seventies. This program with its leadership training of seniors in this vital area of drug misuse could be replicated all over the country.

The example I have given you is in one sense gratifying, but in another, quite terrifying. Gratifying because the people who devised and are executing this program, all VISTA volunteers, are senior citizens who desire to serve their peers, and terrifying because, surprising as it may be, some of those senior peers are as chemically dependent as the dope addicts you find in any city in our Nation.

This example also has an element of tragedy because unless you act with courage and compassion, the VISTA program, which has already been severely crippled by being cut in half, and which the previous administration desired to put out of existence, will never again achieve the goals set for it, even though for many years, it

was one of the most vital, dynamic and well administered programs for volunteers who wished to assist our Nation's poor.

Senators, may I respectfully remind you that volunteerism as we know it in this country is one of the most vital results coming from our Judeo-Christian tradition, and perhaps more to the point for us here today, it rests upon the finest traditions of our Nation. It would be hard for us to point out a Nation where volunteerism is so respected and where the generosity of our young people can be harvested to serve the ever-growing needs of our country.

What we found when Ann Landers ran a column in 1987 to help us locate former VISTA's was that the VISTA experience was not an isolated one. Of the nearly 3,000 former VISTA volunteers who replied, 90 percent pleaded for VISTA to continue, and 78 percent indicated how VISTA changed their lives permanently by making them both aware and active in the solution of social problems.

The poor can be assisted through a multitude of creative activities and organizations to be empowered to help themselves and their brothers and sisters to design those programs which will enable them to find greater meaning and the fulfillment of dreams in their lives.

Each of us needs models. You are sitting here today as I am also because we were trained in several skills. We had models and mentors to guide and sustain us. I submit to you as one who has engaged the help of thousands of volunteers in my years as a priest that the private sector cannot and should not be expected to do this task alone. If the Peace Corps is still needed across the world by nations which desire it, the needs in our country are now no less severe.

The facts about poverty are bleak indeed:

1. The number of poor in the United States is higher now than in any year in the 1970s.

2. Poor people are getting poorer.

3. Children constitute the poorest age group in the United States. In 1986, one-fifth of all children lived below the poverty line.

Let me submit to you who have the governance of this country in your hands, that from where I look in the ghettos and poverty areas of Chicago, a timebomb is ticking. Though there are many, many causes for violence, for crime, for inappropriate education, for lack of decent housing, for the absence of job training, one can see hope. There is a generous willingness among our people, particularly among the young and the elderly, to devote some time, energy, skills and talent of their lives to ameliorate those conditions which bear most heavily upon the elderly and the people among us who have not had our advantages.

It is hardly my purpose to relate to you today any events of my life, but I am honored that I was among a small group of urban affairs officers in the Catholic Church who designed and helped implement a program in the Catholic Church which has now raised over $150 million for programs to assist the poor—not by handouts, but through organizations which empower the poor to design programs that will help them help themselves.

This Campaign for Human Development has been eminently successful, but year after year has only enough funds to respond to one out of ten requests for assistance which come from across the land and from all religious denominations and from all racial and ethnic groups.

In 1981, the Campaign for Human Development did a survey and found that one-half of its CHD funded programs used VISTA volunteers. When I checked with the Campaign office last week, they found one VISTA volunteer in a Citizen Action Program in Indiana!

Similarly, in a call to Marie Cirillo in Appalachia last week, she told me that in the late 1960s and 1970s, they had hundreds of VISTA volunteers in Tennessee and Kentucky. They were enthusiastic, hard workers in many important programs to aid and empower the poor. Even though they were residents of the area and working with their own, they had to withstand the taunts of "being Communists" because they were helping the poor.

She said the number has now dwindled to one-fifth what it used to be, and the volunteers are forbidden to do any work which would give the poor initiative to solve their own problems—they are instructed by VISTA in Washington to work only in "safe" projects like reading to the elderly.

Mr. Douglas Dobmeyer, who heads up the Public Welfare Coalition in Chicago, a man who has done more for the homeless than anyone else I know in our city, originally came to Chicago as a VISTA volunteer. From 1971-1973, he served with Cook County Legal Assistance, providing basic legal aid to poor people in areas of landlord-tenant disputes.

As a former VISTA, he was especially disappointed that the few VISTA projects existing in Chicago today are so low profile that even he was unaware of their existence until he made a call to the Chicago VISTA office.

If it be your will to kill the VISTA program as seemed apparent in the last administration, then at least have the courage and decency to say so. if not, then for the welfare of our citizens, see to it that adequate allocation of funds and experienced personnel to administer those funds are put in place so that the program of VISTA will have a new birth and develop a vitality commensurate with its hope and achievements of earlier days.

I speak this way because within the last week I have spoken by phone and in person to directors of programs for the poor ranging from food banks to homeless shelters to cooperatives to literacy programs to job training and skill development programs; I have spoken to friends of mine who have been working for many decades in Appalachia, in San Francisco, in Chicago, in South Bend, in New York, and here in the District; I have interviewed directors of student volunteer programs at five universities in our land and have been told by every one of them that they thought VISTA had gone out of business—because when groups visit their campuses to present volunteer opportunities, both summer and full time, post-graduate opportunities, there is no VISTA representative present.

DePaul University, an urban university in the heart of Chicago, was established almost 100 years ago to provide higher education to the children of immigrants. to this day, DePaul is committed to reaching out to poor and minority students in the Chicago community with programs to prepare them for college, and once enrolled, to enable them to complete their studies. DePaul reminds its students of their obligation to their community and encourages them to give something back from all they have received.

One of our chaplains at DePaul took 22 students to Appalachia over the Easter break . . . to Appalachia, my friends—not Daytona Beach.

We just had a Volunteer Fair at DePaul, and Mr. Jim Doyle, our Vice President for Student Affairs, assured me groups from all across the country were present and recruiting—but not VISTA.

At the University of Notre Dame, where I served for 13 years in the 1970s and early 1980s, my friends there told me last week nobody knew anything about VISTA. The Peace Corps had been on campus—26 young people applied; 18 have been placed.

Hundreds of Notre Dame students each year enter post-graduate volunteer programs pledging a year or more of service, both in this country and abroad.

Ladies and gentlemen, it is not that there are no generous, concerned volunteers out there—what is missing is the outreach to them.

Senators, for all intents and purposes, VISTA is dying in our land because most of the people with whom I spoke thought it had gone out of existence and regretted its demise.

The previous administration and the several directors of VISTA have done their job well in eliminating knowledge, understanding, encouragement and involvement in VISTA programs.

However, it is not too late.

I know that it is a truism for anyone to say to you—give us the tools and we will do the job. Nonetheless, this was never more true than with the VISTA program. As with the Peace Corps, VISTA is asking and needs a relatively small allocation of funds, including resources for recruiting and advertising. VISTA needs knowledgeable, intelligent and committed directors and staff. VISTA needs leadership—it needs someone to launch a campaign on its behalf in every town and hamlet from Bangor, Maine to San Diego. It needs to be marketed, proclaimed and advertised in the same enthusiastic manner each of you runs your own political campaign.

I know from my experience that the volunteers will come forth from every corner of our land to respond to a call to action to bring their considerable talents and skills to make this a country where literacy is a given, where programs affecting the life of every person and every community will be bettered because of the presence of VISTA workers of all ages serving in so many ways the needs of our most precious asset—our people.

Not to do this, I submit to you is to make a mockery of the finest traditions of our democracy and to make words like "kinder and gentler Nation" ring hollow in our mouths, especially at a time when VISTA can and should be the centerpiece for any new programs of national service.

Senator SIMON. Let me note the presence of Senator Coats, also. Do you wish to add anything before we go to the next witness, Senator Coats?

Senator COATS. No, thank you, Senator Simon. I have been here—I am in the same dilemma you are, of two committees going at the same time and running back and forth. I was here at the beginning and heard our senior Senator from West Virginia as well as the Director, and had to duck out, and now I am back.

Senator SIMON. All right.

Mr. Derek Coelho, welcome.

Mr. COELHO. Senator Simon, Senator Coats, I work at St. Francis House in Boston, a comprehensive day shelter for homeless adults.

St. Francis House is a soup kitchen that was originally sponsored by the Franciscan friars. It is open every day of the year. We served meals last year to 136,000 people. Clothing is distributed there. We have a day community center, a day shelter, psychiatric assistance service, health care for the homeless, housing advocacy and counseling, as well as referrals.

At best, St. Francis House is a place where guests can be supported toward rehabilitation; at the very least, it is a hospice. I have lost count of the number of guests who have died since I came to work at St. Francis House. We are the next-of-kin and have provided funeral services and made burial arrangements for many of Boston's homeless.

The guests of St. Francis House are homeless because they have been evicted, lost their jobs, are illiterate, unskilled, uneducated, battered, elderly, unable to make it economically working at minimum wage in the booming service sector of the Boston area, unable to find low-income housing, unable to afford housing; men and women who are devastated by mental illness, alcoholism and drug addiction. Many lack the education and job skill training for a very specialized job market.

St. Francis House requested VISTA volunteers in early 1985 to work with all of these problems. It would have been impossible to get our program established if it had not been for VISTA. VISTA in 1985 made a commitment of four volunteers, later increased to ten. We were fortunate that year to be able to recruit nine. Seven of these VISTA's could afford to volunteer only because they were able to live with family in the area.

These VISTA volunteers recruited over 80 community volunteer to assist in various aspects of our programs, and generated about $100,000 worth of food and clothing donations for redistribution to the poor and the homeless.

Of the VISTA's recruited the following year, one lived with a friend, three with their families, three shared a one-bedroom apartment. Because of the low subsidy, it was impossible for us to recruit volunteers in Boston without doing a tremendous amount of work to help these people find affordable apartments that they could then share with each other.

Fifteen of the 26 VISTA's we had between April 1985 and September 1988 were from other States. All of these volunteers had heard about our work at St. Francis House and came to work in Boston at their own expense, because VISTA could not provide any money for travel.

By this time, the St. Francis House VISTA's had recruited over 200 community volunteers and over $150,000 worth of clothing and food for redistribution to the poor. In August of 1988, I wrote to our State program director, informing him that St. Francis House, despite the fact that we had been given approval to recruit ten additional volunteers the following year, would have to end its relationship with ACTION. We were in desperate need of these resources, but VISTA had asked much more of us than we could afford to provide.

We had been doing our own campaigning, our own advertising, our own screening of VISTA's since we needed to replace volunteers. We had large numbers of people respond to our advertisement, but after screening, we generally found about ten or twelve people who could actually do the work. Because of the difficult nature of the work, we looked for individuals with a great degree of skill, competence, judgment, stability and intelligence. We were asked often to recruit community volunteers, and the few that we did recruit were unable to cope with the demands of the positions. They were not too far from homelessness themselves and resigned prematurely, because they found the work too stressful.

Of the twelve candidates I recruited in 1988, one informed me that she could accept the position because her parents were willing to subsidize her housing and living expenses. I knew then that we could not continue with VISTA.

We had put so much energy into recruiting, and there was no return. I knew that the loss of these resources would be devastating for St. Francis House, but I was not prepared to ask people who were excellent candidates to accept a subsistence allowance so low as to place them below the poverty level in Boston. It didn't come to that.

When informed of the amount of the subsidy and the stipend, the other candidates told me what I already knew—that they could not survive in Boston, and they withdrew their applications.

I am sure this is true for VISTA volunteers in New York, Chicago, Los Angeles and other urban areas. There may be some towns in the United States where a person can eat, pay rent and live fairly simply for $506 a month, but it would be impossible in Boston, or any urban area in America. In Boston, the shabbiest studio rents for $650 a month today, not including heat and utilities.

Recruiting for VISTA was an agonizing process. We paid all the costs for advertising. In the absence of any public awareness of VISTA—I think the program is one of the best-kept secrets in America—we had to spread the word ourselves.

There was a very weak connection and identity on the part of the VISTA volunteers with any kind of national VISTA organization. They had more of an identity with St. Francis House.

Because we needed individuals of a certain caliber, and VISTA did not have the resources to do this for us, we spent great amounts of time and money that could have been spent in direct service and program administration. The hidden costs for a sponsoring organization makes it as difficult and burdensome for places like St. Francis House to sponsor VISTA volunteers as it is now for individuals to volunteer.

VISTA is needed today more than ever in the cities with poverty, homelessness, illiteracy, substance abuse, mental illness being at an all-time high. Cities may be centers of opportunity and culture, but they have also become a refuge for the poor. The poor are stranded, and the already fragile safety net in our cities is overloaded and close to the breaking point.

Being a VISTA volunteer in 1989 is a money-losing proposition. I am not suggesting that individuals should participate in VISTA in order to make money—far from it. No one who is spirited enough, altruistic enough, kind enough to want to donate a year of their lives in service to the poor should need to get involved in what is presently an exploitive and money-losing proposition. VISTA at the very least ought to be a financially-neutral opportunity, and this can only happen when the subsistence allowance and the stipend are at least equal to the cost of living and expenses that an individual incurs in a year of service.

I think we ought to be thrilled that in an age where so many people are concerned exclusively with themselves, with their careers and with their egos, that there are still a few souls who want to do community work. But we ought not to penalize these generous individuals. We must not add to their already substantial debts if, for instance, they are getting out of college with education loans that have to be paid off and want to give a year to a service program.

Much has been said and written about creating programs that will give young people an opportunity to perform public and community service. Why create new programs? Why reinvent the wheel? Why not invest more in a program like VISTA and turn this program around by making it possible for those who want to volunteer to do it without sinking into debt, poverty and homelessness themselves?

Besides an increase in the allocation for subsistence and stipends, which must at least keep pace with poverty in the coming fiscal year, VISTA needs money for outreach, for recruitment, preservice, in-service training and career development. All of these, in addition to travel costs for out-of-State volunteers, ought to be part of a Federal effort to bolster VISTA and give it the financial resources necessary to fulfill its mission.

VISTA will never be an opportunity for poor people or community volunteers unless there is money for support and career counseling that allows these individuals to use the VISTA experience to make the transition from poverty to self-sufficiency.

Pre-service and in-service training are most essential if volunteers are to learn skills that enable them to get the most out of their VISTA experience. This is a small repayment for their generosity to the communities they serve.

It is also extremely important to have money so that larger sites can hire VISTA supervisors to provide onsite supervision and support to VISTA volunteers. It is rough in the cities——

Senator SIMON. If you can conclude.

Mr. COELHO. I will, Senator.

The problems we are dealing with are complex.

I ask today that VISTA, which is a marvelous, effective anti-poverty program, with a very good track record and is a corrective to

the slashing of so many domestic programs, be funded adequately in order to fulfill its mission.

Thank you.

Senator SIMON. I thank you, and I have a note here from Senator Kennedy, apologizing for not being here. He would like to be here to welcome you, but he is preparing for the floor fight on the minimum wage right now.

[The prepared statement of Mr. Coelho follows:]

PREPARED STATEMENT OF MR. COELHO

Mr. Chairman and members of the subcommittee: My name is Derek Coelho. I work at St. Francis House in Boston—a comprehensive Day Shelter for homeless adults. Over the years, I have been in charge of Operations, Personnel and Fundraising at St. Francis House since I came there in 1985. I was also the VISTA program director. I am now the Director of Development.

St. Francis House is a soup kitchen that was originally sponsored by the Franciscan Friars and the members of a downtown church in Boston. The early 1980s saw a rapid increase in the number of homeless men and women and the church decided to open St. Francis House, a place where the poor and the homeless could receive more than soup and a sandwich. We are now a private non-profit organization. St. Francis House is open every day, all year and provides two levels of services.

Basic Services

Hot Meals served to 350–400 people every day, 10,000 meals each month. 136,000 meals during the past year.

Clothing distributed to as many as 150 poor and needy guests each week.

Day Community Center and Shelter. a safe haven where the poor and homeless can escape from the elements and from the street, and participate in activities and programs.

Clinical Services

1. *Crisis Intervention.* Responding/assisting those in crisis with Mental Health and/or alcohol/drug abuse problems.
2. *Health Care* for the homeless.
3. *Housing Advocacy and Assistance* for those who are ready to live independently and are able to work and afford housing.
4. *Counseling* help with basic living skills, direction and support.
5. *Referrals*—Guests connected with Welfare, Social Security, Veterans Benefits, Alcohol/Drug Rehabilitation Programs, mental health services, food pantries and legal assistance programs. Representatives from these programs came to St. Francis House to reduce the fragmentation and difficulty that our guests have in obtaining access to services.

At best, St. Francis House is a place where a guest can be supported toward rehabilitation in their own time with acceptance, respect, support and encouragement. At the very least, it is a hospice. I have lost count of the number of guests who have died since I came to work at St. Francis House. We are the next-of-kin and have provided funeral services and made burial arrangements for many of Boston's homeless.

There are an estimated 10,000 homeless people in Massachusetts—many from neighboring States that do not provide services to the homeless.

The guests of St. Francis House are homeless because they have been evicted, lost their jobs, are illiterate, unskilled, uneducated, battered, elderly, unable to make it economically, at minimum wage in the booming service sector, unable to find or afford low-income—housing—men and women who have been devastated by failed marriages, mental illness, alcoholism, drug addiction or new groups of refugees and immigrants. Many of them lack the education/job skill training for a very specialized banking/financial/hi-tech work market. St. Francis House requested VISTA volunteers in early 1985 to work with all of these issues and areas.

The VISTA Program was absolutely essential to St. Francis House being able to get off the ground. It is fair to say that it would have been impossible to get our programs established if it had not been for VISTA. VISTA in 1985, made a commitment of four volunteers. We put the VISTA volunteers to work in the areas of Community Outreach to recruit volunteers, Housing and Job Search/Support. The subsistance allowance at the time was $484-per-month. The local ACTION Agency monitored and evaluated our work and increased the number of VISTA volunteers at

the site to ten. We were fortunate that year to be able to recruit nine VISTA volunteers. Eight of these VISTA volunteers were professionals who took a year off from their professional lives. One was a college graduate. Seven of these VISTA volunteers could afford to volunteer because they were able to live with family in the area. The VISTA volunteers recruited over 80 community volunteers to assist in various areas of St. Francis House and generated about $100,000 dollars worth of food and clothing donations for redistribution to the poor.

Of the VISTA volunteers recruited the following year—three shared a one-bedroom apartment, one lived with a friend of her family and three with family. The next year a generous landlord was able to provide a seven-bedroom house at low rent, way below market rate, for one year only, for seven volunteers—one lived with her family. (This was not the best living arrangement for the 7 because it is difficult to work in a highly stressful shelter and then go back to living together in the same house. But, it was all the volunteers could afford).

Fifteen of the 26 VISTA's we had between April 26, 1985 and September 30, 1988 were from other States. These volunteers heard about St. Francis House and came to work in Boston at their own expense, because VISTA could not provide any money for travel to and from their homes. By this time, the VISTA's had recruited over 200 community volunteers and over $100.00 worth of clothing and food each year for our food and clothing programs!

In August, 1988, I wrote to Mel Coles, State Program Director for ACTION informing him that St. Francis House despite having been given permission to recruit 10 VISTA volunteers, would have to end its relationship with ACTION. We were in desperate need of volunteers, but VISTA was asking much more of us than we could afford to provide. St. Francis House had begun advertising and screening potential VISTA's in March 1988, since we needed to replace volunteers who were leaving. Seventy-eight individuals responded to advertisements and bulletins that St. Francis House sent to local colleges and newspapers, all at our own cost. We knew that if we wanted the volunteers we would have to find them ourselves. After months of screening, we found 12 candidates who were extremely well-qualified to serve at the shelter. Because of the very difficult nature of the work, we look for individuals with a high level of skill, competence, judgment, stability and intelligence. (St. Francis House has not been a great work site for local Community VISTA volunteers. The few who were recruited—individuals already receiving some subsidy they wouldn't lose, because their VISTA income was exempt—were unable to cope with the demands of the positions. They were not too far from homelessness themselves and resigned prematurely because they found the work too intense and very stressful). Getting back to the recruitment experience—of the 12 qualified candidates one finally informed me that she could accept a position because her parents were willing to give her a year to explore professional/career options and were willing to subsidize her housing and living expenses. I knew then that we could not continue with the VISTA program. We had put so much energy into recruiting and there was no return. I knew that the loss of human resources would be devastating for the program, but was not prepared to ask people who were excellent candidates to accept a subsistence allowance so low as to place them below the poverty level in Boston. I didn't have to. When informed of the amount of the subsidy/stipend the other candidates told me what I already knew—that they could not survive in Boston at that income. I'm sure the same is true for VISTA volunteers in New York, Chicago, San Francisco, Los Angles and other urban areas. There may be some towns in the United States where a person can eat, pay rent and live fairly simply for $506 a month, but it would be impossible in Boston or any urban area in America where the shabbiest one-bedroom rents for $650 a month, not including heat and utilities. VISTA is needed today, more than ever in the cities with poverty, homelessness, illiteracy, mental-illness, and refugees immigrants, in urban areas, at an all time high. Cities have become a refuge for the poor. The poor are stranded and the already fragile safety net is overloaded and close to the breaking point.

Recruting for VISTA was an agonizing labor intensive process. St. Francis House paid all costs for advertising. In the absence of any public awareness of VISTA—the program is one of the best kept secrets in America—we had to spread the word ourselves. Because St. Francis House was looking for individuals of a certain caliber, we had to do all the screening and recruiting, because VISTA did not have the resources to do this for us. This consumed enormous amounts of time and money that could have been spent in direct service and program administration. The hidden costs for a sponsoring organization made it as difficult and burdensome for St. Francis House to sponsor VISTA volunteers as it is for individuals to volunteer.

Being a VISTA volunteer, in 1989, is a money losing proposition. I am not suggesting that individuals should consider participating in VISTA in order to earn market

rate salaries—far from it—but, no one who is spirited enough, altruistic enough, kind enough to want to donate a year of their life to the service of the poor should need to get involved in what is presently an exploitative and money-losing proposition.

VISTA, at the very least, ought to be a financially neutral opportunity. This can only happen when the subsistence allowance and the stipend are at least equal to the cost of living and expenses that an individual incurs in a year of service, and should keep pace with the purchasing value of the dollar.

We ought to be thrilled that in an age where so many people are primarily and often exclusively concerned with their own career, ego and self interest that there are still a few souls who want to do community work. But, we ought not to penalize these generous, kind individuals. We must not add to their already substantial debts, if for instance they are getting out of college with education loans that have to be paid off and want to give a year to a service program, as is often the case in Boston.

Much has been said and written about creating programs that will give young people an opportunity to perform public/community service. Why create new programs? Why reinvent the wheel? Why not invest more in a program like VISTA and turn this program around by making it possible for those who want to volunteer to do it without sinking into debt, poverty and/or homelessness themselves.

Besides an increase in the allocation for subsistence and stipends, which must at least keep pace with the poverty level in the coming fiscal year, VISTA needs money for outreach, recruitment, pre-service and in-service training and career development. All of these, in addition to travel costs for out-of-state volunteers ought to be part of a Federal effort to bolster VISTA and give it the financial resources necessary to fulfill its mission.

VISTA will never be an opportunity for poor people (local community volunteers) unless there is money for support, and career counseling that allows these individuals to use the VISTA experience to make the transition from poverty to self-sufficiency.

Pre-service and in-service training are very essential if volunteers are to learn skills that will enable them to get the most out of their service experience. This is a small repayment for their generosity to the communities they serve. It is also extremely important to have money so larger sites can hire VISTA supervisors to provide on-site supervision and support to the VISTA volunteers. It's rough in the cities. The problems we are dealing with are complex and increasing by the day. We need all the help we can get. But, we need skilled, qualified, stable, bold and competent individuals, who can be trained to work with the poor, who present themselves to agencies with mental illness, illiteracy, alcoholism, AIDS, or drug addiction. It's marvelous that there are people out there who are idealistic enough to have the courage to volunteer. But, volunteers with good intentions and no training are not going to survive. Working with the homeless and the poor can be overwhelming, challenging and stressful for people with the sophisticated appropriate academic experience, background and credentials. We cannot do VISTA volunteers the disservice of throwing them at these complex situations and problems with insufficient orientation, training and supervision.

If this happens, more and more community programs will say no to VISTA, because despite the dire need, it would not make sense—the costs would far exceed the benefits—the case at St. Francis House. St. Francis House did the laborious paperwork and got approval for a contingent of 10 VISTA volunteers. However, at one point, it made more sense to struggle along with fewer personnel, than to have to cope with the additional burdens that came with being a VISTA site—witnessing the plight of volunteers living below the poverty level and having to provide great measures of time and support, supervision and encouragement to individuals whose morale was progressively lowered by the stress involved in their own survival—while at the same time trying to support the survival of our homeless guests. It made sense, to channel the limited time and energy into paying a smaller staff a decent living wage (an entry level staff person is presently paid $15,000 in our program) than to witness the plight of generous individuals who gave a year of their life, to community service, but were wiped out, not just by the difficult work, but also by their struggle to survive.

The stipend today is that it was 13 years ago. How many people would accept a position that pays today, what it paid 13 years ago? The subsistence allowance which is now $5,980, must be raised so that at the least it can keep pace with the poverty level in a State.

Thank you for this opportunity to share my experience. Mr. Chairman and members of this subcommittee, I urge you to move swiftly to provide ACTION/VISTA

with the money it needs to propel it from bare-boned mediocrity to an excellent service opportunity for many generous men and women who still care enough to want to give society a most precious gift—themselves, inservice to the needier members of American society.

Senator SIMON. Kevin Smith, welcome.

Mr. SMITH. Thank you, Senator Simon and Senator Coats.

I come before you today as the current Executive Director of Literacy Volunteers of America-New York State. I have been in that position since 1982, and also as the Charter Chair of the New York State Literacy Council, and also as the President of the Association of State Literacy Directors, which is a national association comprised of State directors of volunteer literacy programs.

Our own network is comprised of 53 affiliate programs involving over 6,500 volunteers and serving over 8,500 learners, both in the basic literacy area and in English as a second language.

We have been involved with VISTA volunteers and projects and grants in our organization since 1978, so we have a long and extensive history of the identification and placement of VISTA volunteers throughout our network during those years.

I am especially thankful to be before you, Senator Simon, because I am aware of your work on the Illiteracy Elimination Bill that you are working on, and I have interacted with your staff in that regard and want to address the early part of my comments specifically to the issue of adult illiteracy in this Nation.

The Nation is increasingly aware of the growing mismatch between the current level of basic skills and those required to be personally, socially and economically confident and productive. This realization and resulting priority and urgency are an indicator of America's evolution into the much referred to Information Age. Those skills required to function even 20 years ago are inadequate in today's rapidly changing economy.

Those skills required in today's economy will, no doubt, be inadequate 20 years from now.

Literacy, as I define it, is the ability to access, comprehend and utilize information to effect a desired outcome. Historically, an increasingly diminishing segment of the population has functioned through oral exchange. Today it is virtually impossible to rely solely on those skills of being able to communicate orally.

It can be said that information which can be accessed, understood and applied through reading and writing is an absolute prerequisite to personal, social and economic participation at any and all levels of the society. The future will require fundamental literacy skills through some other medium. That medium will no doubt be computer processing.

One's ability to get, understand and apply information to effect personal, social and economic change determines their reliance on other people. Literacy is directly related to poverty, homelessness, hunger, crime, drug abuse, under- and unemployment, because the skills necessary to effect change in those conditions are lacking.

According to *Workplace Basic: Skills Employers Want*, a publication of the Association of Training Directors and the U.S. Department of Labor, 68 percent of those arrested 85 percent of unwed mothers, 79 percent of welfare dependents, 85 percent of dropouts

and 72 percent of unemployed have low basic skills, the basic skills needed to effect change as the society evolves.

In my opinion, it will take far less time to evolve from a reliance on reading and writing skills to computer processing skills than it did to evolve from a reliance on oral communication skill to reading and writing skills.

In other words, we have to maintain a system of providing instruction well beyond traditional postsecondary education in order to keep our population literate and to accommodate the change.

This theory suggests, therefore, that education is a lifelong pursuit. It suggest that in 1989, every individually must minimally possess literacy skills which enable them to process information, utilizing the written word. And it suggests that we must identify and begin to train everyone in processing information through any and all mediums which become fundamental to our future survival as individuals and as a nation. To do so, we must make institutional adult education as an industry which is necessary today and forever.

VISTA has been one of the few resources which our organization has been able to rely upon to support the various service sectors, including our own, in the provision of accessible and appropriate adult literacy services.

Literacy Volunteers of America-New York State has relied heavily upon the human resource provided to place full-time VISTA volunteers in areas which could be assisted by the continuity of their service.

Literacy Volunteers of America-New York State has sponsored over 175 VISTA's throughout those 11 years of involvement. Recruited by local programs to which they are assigned, VISTA volunteers come with varying skills and life experiences.

A few examples. In Oswego, NY, an affiliate program was begun by a VISTA, Pat Kardash, in 1983 and remains a community service today. Pat has since been employed by Literacy Volunteers of America-Oswego via a grant through the New York State Education Department.

In rural Franklin County, New York VISTA Preston Miller has been instrumental in bringing together the various service agencies providing education, job training and social services to better serve those residents, including the residents on the Indian reservation.

VISTA Frank Wendell, retired county court judge, began Literacy Volunteers of Montgomery County.

Our VISTA network has been lauded by the ACTION agency as one of the most productive in garnering private sector support, as was mentioned by the administration's testimony. In all cases, VISTA service has assisted in the development of programs with which they have been involved.

The relationship with the ACTION agency, though, has not all been rosy, unfortunately. Throughout the Reagan administration and previous administrations, it has been very difficult to run projects as a result of inconsistent messages, changes in the rules, basically, or what we thought were the rules. The administration's budget has never supported VISTA, and the ACTION agency appointees have followed, in my opinion, that lead.

We have had to fight for every reauthorization and appropriation. Literacy Volunteers of America-New York State received, in fact, its first VISTA grant because the ACTION agency was ordered by the courts to spend moneys that they had been appropriated, and we were an existing agency with the capacity to run that grant.

Once rewards were received, implementation has not been very much better. In response to the administration's stonewalling in the 1983 reauthorization by playing partisan games in the formulation of a joint committee, I wrote that "interruptions in living allowances, no replacement of early terminations, disruptions of the ACTION State offices, including attempts to close them, and inconsistent information waste time, money and energy." I do not believe much has changed in that regard.

Finally, I strongly support a four-year reauthorization of VISTA Literacy Corps at an appropriation level beginning in 1990 at the recommended 1989 level of $5 million, increasing $1 million annually through 1993. Since literacy is a primary issue to all other domestic concerns addressed by the Domestic Volunteer Service Act of 1973, it warrants a set-aside support which Literacy Corps provides.

VISTA's Requests for Proposal as found in the Federal Register routinely identify priority concerns which proposals should address.

I would suggest that annual priority designation is not the way to impact such fundamental and systemic problems as crime, hunger, poverty, drug abuse, public assistance dependency and teen pregnancy. The agency policy of identifying priority issues of the year puts eligible and needy agencies addressing various domestic problems in competition with one another for limited resources.

Basically, I think that there is a sense from the administration's testimony that at the local level, agencies from various service sectors providing support for various services get together and determine what the priority issue is. And I would share from a local and State vantage point that that just is not the case. In fact, we compete for those very few dollars that are available.

Thank you very much.

Senator DODD. Thank you.

[The prepared statement of Mr. Smith follows:]

PREPARED STATEMENT OF MR. SMITH

As Executive Director of Literacy Volunteers of America-New York State, Inc. (LVA-NYS) since 1982, I have been and am intimately involved with the development and provision of adult literacy education services through the trained volunteers and the solicitation, management and implementation of VISTA projects and grants designed to support those endeavors. founded in 1973, LVA-NYS is the Nation's second largest network of community supported volunteer literacy programs. Our network is comprised of 53 affiliate programs which involve over 6,500 volunteers serving the literacy and English as a second language (ESL) needs of over 8,500 adult learners. These communities represent large urban/suburban population centers and rural, sparsely populated regions. As such, LVA-NYS history of experience in service provision and VISTA placement is varied and extensive.

The Nation is increasingly aware of the growing mismatch between the current level of basic skills and those required to be personally, socially and economically confident and productive. This realization and resulting priority and urgency are an indicator of America's evolution into the much referred to Information Age. Those

skills required to function, even 20 years ago, are inadequate in today's rapidly changing economy. Those skills required in today's economy will, no doubt, be inadequate 20 years from now.

Literacy is the ability to access, comprehend and utilize information to effect a desired outcome. Historically an increasingly diminishing segment of the population functioned through oral exchange. Today it is virtually impossible to rely solely on those skills. It can be said that information which can be accessed, understood and applied through reading and writing is an absolute prerequisite to personal, social and economic participation at any and all levels of society. The future will require fundamental literacy skills through some other medium. That medium will no doubt be computer processing.

One's ability to get, understand and apply information to effect personal, social and economic change determines their reliance on other people. Literacy is directly related to poverty, homelessness, hunger, crime, drug abuse, under- and unemployment because the skills necessary to effect change in these conditions are lacking. According to *Workplace Basic: Skills Employers Want*, a publication of ASTD and the U.S. Department of Labor (Carnevale, Gainer & Meltzer, 1988), 68 percent of those arrested; 85 percent of unwed mothers; 79 percent of welfare dependents; 85 percent of dropouts and 72 percent of unemployed have low basic skills. The basic skills needed to effect change as the society evolves. It will take far less time to evolve from a reliance on reading and writing skills to computer processing skills than it did to evolve from a reliance on oral communication skill to reading and writing skills.

This theory suggests that education is a life-long pursuit. It suggests that in 1989 every individual must minimally possess literacy skills which enable them to process information utilizing the written word. And it suggested that we must identify and begin to train everyone in processing information through any and all mediums which become fundamental to our future survival as individuals and as a Nation. To do so we must make institutional adult education as an industry which is necessary today and forever.

Volunteers in Service to America (VISTA) has been one of the few resources which has supported efforts of various service sectors in the provision of accessible and appropriate adult literacy services. LVA-NYS has relied heavily upon the human resource provided to place full-time VISTA's in areas which could be assisted by the continuity of their service. LVA-NYS has sponsored over 175 VISTA's. Recruited by the local program to which they are assigned, VISTA's come with varying skills and life experiences. In Oswego, NY an affiliate program was begun by VISTA Patricia Kardash in 1983 and remains a community service today. Pat is now employed by LVA-Oswego. In rural Franklin County, New York VISTA Preston Miller has been instrumental in bringing together the various agencies providing education, job-training and social services to better serve the residents including those on the reservation. VISTA Frank Wendell, retired County Court Judge, began LVA-Montgomery County. Our VISTA network has been lauded by the ACTION Agency as one of the most productive in garnering private sector support. In all cases VISTA service has assisted in the development of the program with which they have been involved.

There is another side to this relationship as well. During the last eight years LVA-NYS experienced tremendous difficulty in running VISTA projects and grants because of the inconsistency of the ACTION Agency. The administration's budget never supported VISTA, and ACTION Agency appointees followed that lead. We have had to fight for every reauthorization and appropriation. LVA-NYS received its first VISTA grant because the ACTION Agency was ordered by the courts to spend monies they had been appropriated, and we were an existing agency with the capacity. Once awards were received, implementation wasn't much better. In response to the administrations' stonewalling the 1983 reauthorization by playing partisan games in the formation of a joint committee, I wrote that "interruptions in living allowances, no replacement of early terminations, disruption of State ACTION offices including attempts to close them and inconsistent information wastes time, money and energy." Not much has changed. I frankly don't know how to prevent what is a fundamentally a sound law from becoming a political football. The ACTION agency must have leadership that follows the Congressional intent of the Act and not the political purpose of the administration. That leadership should participate in the implementation of the broader domestic plan by interacting with other agencies with complimentary responsibilities. One way is that the ACTION agency become a part of a Cabinet council on Adult Literacy as suggested in *JUMP START: The Federal role in Adult Literacy* (Chisman, Southport Institute for Policy Analysis, January, 1989) which I ask to be submitted as part of my testimony.

Beside dealing with the inconsistent intent of political appointees. VISTA has been made difficult due to lack of administrative support. Under grant status LVA-NYS has received minimal administrative support. Under project status that support has been available if the Region had an unexpended allocation. In my discussions with colleagues from other States and regions I have found that there is no consistency to the provision of administrative support. It seems predicated on the competition for support. If ACTION can't spend their money and/or they need your agency you can negotiate. If there is competition the agency with enough resource to cover rent, utilities, staffing and travel gets the project. The ACTION agency is also inconsistent on the length of involvement allowed by a single sponsoring agency. Our own grant was not continued in 1988–1989 despite its admitted success and the fact that VISTA's were never placed in the same community for more than the three year maximum. While I have nothing in writing we received regular suggestions that LVA-NYS would no longer be eligible because of its long-term receipt of support. In 1987–1988 word came down that LVA-NYS would not receive Literacy Corps support. My board of directors suggested that we apply anyway and solicit New York State Congressional Delegate support. Eighteen members of the delegation responded including the Chair of this subcommittee. LVA-NYS was awarded a grant and ACTION denied ever having indicated that we were not being considered. In 1988–1989 LVA-NYS again applied for a VISTA Literacy Corps grant. This time we made the conscious decision not to seek Congressional support. LVA-NYS was not supported in 1988–1989. I would ask that this committee review sections of the law which determine administrative support and length of sponsorship. I would also request that this subcommittee explore ways to minimize the political nature of the Agency.

Finally, I strongly support a four year reauthorization of the VISTA Literacy Corps at an appropriation level beginning in 1990 at the recommended 1989 level of $5 million, increasing by $1 million annually through 1993. Since literacy is a primary issue to all other domestic concerns addressed by the Domestic Volunteer Service Act of 1973 it warrants the set-aside support which the Literacy Corps provides. VISTA Request for Proposal (RFP), as found in the Federal Register, routinely identify priority concerns which proposals should address. I would suggest that an annual priority designation is not the way to impact such fundamental and systemic problems as crime, hunger, poverty, drug abuse, public assistance dependency and teen pregnancy. The Agency policy of identifying priority issues of the year puts eligible and needy agencies, addressing various domestic problems, in competition with one another for the limited resource appropriated. If the Domestic Volunteer Service Act of 1973 intends to seriously address any of these issues it must be seen as a non-partisan priority with adequate funding. Unfortunately, due to past political manipulation of the Act and the current Administration's request to zero-budget the Literacy Corps, the Congress must determine a clear, air-tight mandate to guide the administration and implementation of the Act.

Senator DODD. Nancy Wood, welcome.

Ms. WOOD. Thank you, Senator Dodd and Senator Coats. It is an honor to be here today.

I am the Director of the Service Learning Program at Earlham College, a small Quaker liberal arts school of 1,200 students in Eastern Indiana.

Our program is designed to encourage civic responsibility by helping our students match their skills and interests to the needs of the community. We guide and support the Earlham Volunteer Exchange, which is staffed by a student director and 11 student coordinators, who recruit volunteers and organize activities.

Our students gain valuable skills and career experiences, while our schools, nonprofits and community agencies receive much-needed volunteer support.

Before 1986, the Volunteer Exchange placed only a dozen or more students into our community annually. But that year, we had a terrifically energetic student director, Lisa Dady, who recruited 60 volunteers. This was about the same time that Earlham's President, Richard Wood, joined 120 other college and university presi-

dents in committing support to student community service by forming Campus Compact.

It was then that the college applied for and received a $30,000 U.S. Government ACTION Grant, to provide funding to create my position, so that the volunteer program could expand and be more intentional in emphasizing service learning, which improves the quality of service in conjunction with the service experience.

This support enabled Earlham volunteers to do an even better job of encouraging others to enter into community service. That first year, we had 200 students enroll in the program at registration. By the end of the first year, 337 volunteers had contributed 10,652 hours of labor to more than 73 Richmond agencies and community projects, and our student director, Lisa Dady, was awarded one of five National Robinson Humanitarian Awards.

This year, 650 students enrolled in our program on registration day, indicating an intent to serve—that is more than half of our student body.

Now, obviously, the ACTION Grant is not a large amount of money. It is a three-year declining grant, beginning with $15,000 the first year, $10,000 the second, and $5,000 for the third and final year.

Our program requires a minimum of $35,000 annually to operate. But we could not have gotten started had it not been for the ACTION seed money and guidance. It gave us that first successful year to prove that service learning is a valuable part of our students' education which is needed to be included in the school's budget.

At this point, I have to say our only criticism of ACTION has been the excessively bureaucratic requirements of managing the grant. We initially did not accept the grant award because of lack of flexibility in the ACTION guidelines concerning our proposed budget.

Furthermore, our controller of Earlham is convinced that it is more time-consuming to document ACTION compliance requirements for this $30,000 grant than is required by Department of Education funding we have, which is in excess of $1 million. We believe it would be more cost-effective for ACTION to simplify the budgeting and reporting requirements so that the integrity of the program is maintained without undue time, creativity and energy being diverted from the mission of the program. Far too much time, which should be used to inspire volunteerism, goes into paperwork.

But I would like to tell you some of our successes at Earlham. Last year, a junior, Mary Cox Rudy, did a required 200-hour field study with the Mental Health Association—except that Mary ended up giving 400 hours of service instead of 200, because she was learning so much, and the program was so successful.

What she did was redesign, document and present a self-esteem program, which over 1,000 schoolchildren participated in, and some who had been sexually abused were for the first time able to open up about their suffering to Mary, who was able to get help for them.

Last year, nearly 200 students worked for literacy alone. They coordinated a drop-in tutoring program at the high school, tutoring

adults through the Literacy Coalition and the adult basic education program. And when funding for the English as a second language program ran out, Earlham volunteers completely ran the program on their own throughout the summer so that the non-English speaking people could continue their study in language.

Many of our volunteers serve as role models to at-risk children of single parents and enjoy working with youth in programs like Big Brothers and Big Sisters.

Helping the handicapped experience horseback riding is another favorite of Earlham students, as is working with the annual Special Olympics event.

Each year, our students work with the local Chamber of Commerce to clean up city streets and parks, and many serve meals to the poor and distribute clothing at a local soup kitchen, while others collect postdated and damaged cartons of food items from local grocery stores to give to the poor.

Students taking part in the Reminiscence Program become active listeners to the elderly who are home-bound in nursing homes. Adopting a grandparent has been a wonderful opportunity for students who miss their own grandparents, and there are always the odd jobs, painting and yard work which students do for the elderly.

These programs bring together alienated generations, who really need each other and can learn from each other.

Our volunteers have found that networking with community leaders and professionals is an excellent way to both learn and bring about social change. In 1987, the students joined with community leaders to look closely at local issues of poverty. Student volunteers coordinated a workshop on how to bring about needed social change peacefully and hoped establish the local Justice for All Coalition, under which three task forces were set up to work on church mobilization, empowerment issues, and child care for the poor.

Student concern helped bring about new communication and commitment to social improvement, which had not been possible before.

Finally, I would like to say our most recent venture has been the start-up of a Habitat for Humanity chapter. Over 60 students are organizing to do renovation with local community leaders to improve substandard and vacant dwellings for the poor, who work alongside the volunteers on their future housing. In this way, the poor are mentored in how to care for the dwellings, and they develop pride and self-esteem as they put in their own sweat labor.

Programs like these not only change lives, but society and, we believe, are well worth Government funding.

This concludes my statement, and I would be happy to answer any questions that you might have.

Senator DODD. Thank you very much, Ms. Wood.

[The prepared statement of Ms. Wood follows:]

PREPARED STATEMENT OF MS. WOOD

I am Nancy Wood, the Director of Service Learning at Earlham College, a small Quaker liberal arts school of 1,200 students in eastern Indiana. Our program is a part of the Office of Student Development at Earlham, and is designed to encourage civic responsibility by helping students match their skills and interests to the needs

of the community. We guide and support the Earlham Volunteer Exchange which is staffed by a Student Director, Andrea Davidson, and 11 student coordinators, each of whom manage a particular aspect of the program such as aid for the elderly or youth programs. Coordinators recruit volunteers and organize activities for agencies in their fields of interest. Our students gain valuable skills and career experience, while schools, non-profit organizations and community agencies receive much-needed volunteer support.

Before 1986, the Earlham Volunteer Exchange, a ten year old student organization, placed a dozen or more student volunteers in the Richmond community annually. That year we had a terrifically energetic student director, Lisa Dady, who recruited 60 volunteers, at about the same time Earlham's President Richard Wood joined with 120 other college and university presidents in committing support to student community service by forming Campus Compact.

It was then that the college applied for and received a $30,000 U.S. Government ACTION Grant, to provide funding to create my position so that the volunteer program could expand and be more intentional in emphasizing service learning which improves the quality of service in conjunction with the service experience. This support enabled Earlham volunteers to do an even better job of encouraging others to enter into community service.

That first year we had 200 students enroll in the program at registration. By the end of the year 337 volunteers had contributed 10,652 hours of labor to more than 73 Richmond agencies and community projects, and our student director, Lisa Dady, was awarded one of five National Robinson Humanitarian awards. This year, 650 students enrolled in our program on registration day, indicating an intent to serve—that's more than half of our student body.

Now, obviously, the ACTION grant is not a large amount of money. It is a three year declining grant beginning with $15,000 the first year, $10,000 the second, and $5,000 for the final year. Our program now requires a minimum of $35,000 annually to operate. But we could not have gotten the program started without the ACTION seed money. It gave us that first successful year to prove the dream so that the school was convinced it was a valuable part of our students' education which needed to be included in the general budget.

At this point, I must say our only criticism of ACTION has been the excessively bureaucratic requirements of managing the grant. As a matter of fact, we initially did not accept the grant award because of the lack of flexibility in the ACTION guidelines concerning our proposed budget and the need for a shared coordinator position when an unexpected pregnancy occurred. Furthermore, the controller of Earlham is convinced that it is more time consuming to document ACTION compliance requirements for this $30,000 Grant than is required by Department of Education funding which is in excess of a million dollars. We believe it would be more cost-effective for ACTION to simplify the budgeting and reporting requirements, so that the integrity of the program is maintained without undue time, creativity and energy being diverted from the mission of the program. Far too much of my time which should be used to inspire volunteerism goes into paperwork.

But the exciting information I want to share with you today is what the Earlham volunteers are doing. Let me tell you about Mary Cox Rudy. last year, as a junior, Mary did her required 200-hour field study with the Mental Health Association—except Mary ended up giving 400 hours of service instead of 200. What she did was redesign, document and present a self esteem program for more than 40 third and fourth grade classrooms called "I'm Thumbody". Over a thousand children participated in this program, and some who had been sexually abused were able for the first time to open up about their suffering to Mary who was then able to get help for them from their counselors.

Last year nearly 200 students worked for literacy alone. They coordinated a drop-in tutoring program at Richmond High School, tutored adults through the Literacy Coalition and the Adult Basic Ed Program, and when the English as a Second Language Program ran out of money last May, Earlham Volunteers completely ran the program on their own through the summer so that non-English speaking people could continue learning English.

Many of our volunteers serve as role models to at-risk children of single parents, and enjoy working with youth in programs like Big Brothers/Big Sisters, Boys and Girls Clubs, Youth Soccer, Children's Home and Youth Centers. Earlier this year our volunteers brought nearly 200 Girl Scouts on campus for a Midnight Ramble with college students. This effort was to expose low income girls to wider opportunities of Girl Scouting and at the same time help them build dreams for higher education. Many of the children had not thought they would ever have the chance for college, and our students were challenged to broaden their vision.

Helping the handicapped experience horseback riding is a favorite service of Earlham students, as is working with the annual Special Olympics event where students gather around the campus track and swimming pool to cheer on and hug these special athletes.

Each year our students work with the local Chamber of Commerce to clean up city streets and parks. Many serve meals to the poor and distribute clothing at a local soup kitchen while others collect post-dated and damaged cartons of food items from local grocery stores to give to the poor.

Students taking part in the Reminiscence Program become active listeners to the elderly who are home-bound or in nursing homes. "Adopting" a grandparent has been a wonderful opportunity for students who miss their own. And there are always odd jobs, painting and yardwork which students enjoy doing for the elderly.

Our volunteers have found that networking with community leaders and professionals is an excellent way to both learn and bring about social change. On November 17, 1987, students joined with Richmond community leaders to look closely at the issues of local poverty. Proclaimed Justice For All Day, it began with a circling of hands around the county courthouse and welfare office in an attempt to symbolize united concern for the welfare of the poor. Students coordinated workshop on "How to Bring About Needed Social Change Peacefully," and helped establish the Justice For All Coalition. Under its banner, three task forces were set up to work on church mobilization, empowerment issues, and child care for the poor. Student concern helped bring about new communication and commitment to social improvement, which had not been possible before.

As a special project this year we joined forces with the Mental Health Association to educate the community on the plight of the mentally ill. The goal was to stamp out fear and stereotyping because many people are afraid to volunteer to help this group. An improvisational group made up of mentally ill folks called "The Livewires" were brought onto campus to help the community learn what it feels like to suffer mental illness. Volunteers were then recruited to become buddies to local outpatients, helping them budget their meager incomes for shopping for necessities rather than junk impulse items. Some students do Pet Therapy by taking kittens and dogs with them on visits to the local State Hospital.

Our most recent venture has been the startup of a Habitat for Humanity Chapter. Over 60 students are organizing to do house renovation with local community leaders to raise sub-standard and vacant dwellings for the poor.

I think perhaps the following testimony from the students themselves is the most valuable measure of a program like ours and perhaps the best way to judge whether government funds have been well spent:

"One of the main reasons I volunteer is the inspiration I get from it. To me, volunteer work is not charity; it's working for social change. When I see the hundreds of Earlham volunteers going into the Richmond community, I know we're helping to create positive change. In addition, the personal growth that can occur as the result of a volunteer experience is invaluable. I feel I've learned a great deal about my interests, my values, and my goals in life thru volunteering." Andrea Davidson

"The volunteer work I have done provides me with a sense of balance between myself and the world. I know that I am much more fortunate than many people and that the majority of that good fortune has come from outside myself. By volunteering I hope to give back some of what I have taken, to take responsibility for the privilege I've been given." Jenny Nachbar

"I've learned a lot about the ins and outs of working in a city agency—a lot about bureaucracy and politics—and I learned a lot from working with the elderly." Molly Sevareid

"I learned how to deal with different on-the-job situations such as sexism, teaching techniques. dealing with impatience, fears and frustrations of non-English speaking students." Rachael Buxbaum

"I have come to learn more about my friends, the culture, my limits. . . " Sevdi Kuley

"My volunteer work helped to show me my strengths and weaknesses. I was confronted with new and sometimes difficult situations and I learned how to deal with them. I especially learned from the kids I worked with who had mental retardations—how to look beyond a person's handicaps and how to give unconditional love." Brandice Mazick

"I volunteered at a Quaker meeting place as a babysitter. It was a great experience because I got a chance to interact with people with beliefs other than mine. Their children taught me how to be more patient, stable, and decisive when making deci-

sions. It also gave me a chance to think of 'Do's' and 'Don'ts' when I have a family."
R. Andrae Dobbey

Senator DODD. My apologies for dipping in and out of the room, but we have the savings and loan crisis looming and the resolution of it, and there was an important meeting this morning to see if we couldn't iron out some of the differences. So I apologize to all of you for having left the room earlier.

Let me turn to my colleague Senator Coats, since he has been sitting here to hear all your testimony, for any questions he may have at this time.

Senator COATS. Thank you, Mr. Chairman.

My apologies also to the panel for ducking in and out. We try to do too many things at once here, and that is one of the problems with the job that we haven't been able to figure out how to handle yet.

Monsignor Egan, as a student in the Chicago area in the early Sixties, I was captivated, as most of us were, by one of your fellow institutions in Chicago, Loyola, where they had a point guard named Johnny Egan. You wouldn't be the same John Egan, would you, who won the national championship in 1963?

Senator DODD. That John Egan was from Providence College.

Senator COATS. I knew that, and I was wondering if the chairman would pick up on that.

Senator DODD. And they won the national invitational tournament.

Senator COATS. I was close. [Laughter.]

Nancy, thank you for your testimony and willingness to come here, and what a remarkable story, that more than half the students at Earlham are participating in this program. That school has had a long history and tradition of public service, but I think it is a remarkable achievement, and you ought to get a lot of the credit for that.

You told me earlier this morning that without the seed money, it probably would not have been possible to put this in place. I think that is a very important dimension of the program that has been little talked about, and that is the initial start-up, incentive, higher a director, print a brochure, set up the office. How important is that?

You have a three-year grant. That grant will be running out in 18 months. Where will you go from there?

Ms. WOOD. Well, that is correct; without the initial funding from ACTION, we could not have gotten started because there were no funds available at that time. But with the success of the program, the school was more than happy to take the program into the general budget. So we will be continuing without the Federal funds at that time.

Senator COATS. What is the commitment of the University to the program, and what kind of outreach are you making to the community, to foundations and to private sources for continued funding?

Ms. WOOD. Our president is a member of Campus Compact and has committed his support for community service and is very much behind our program.

The board of trustees, the faculty—it seems that everyone in our school supports our program and is really behind the efforts and the students' activities.

We are beginning to seek out additional funds to continue—providing a fleet of vehicles for students to go to and from the agency sites, things like that. We have recently been awarded a Partners in Education Grant from Indiana to hire a part-time person to help on my staff. So we are trying to locate other funds to improve the program and to just allow the students to do even more.

Senator COATS. When Senator Rockefeller testified, he talked about the value of going somewhere else, experiencing a new culture, a new environment, and the value of that to him. But it occurred to me that, given budgetary constraints, given the magnitude of what we would like to develop this program into, and combined with Derek's testimony about living costs in Boston and so forth, that to actually establish a program that would take individuals from one area of the country and move them into another area of the country is going to dramatically increase our costs, because obviously, we have to provide housing, food and so forth.

The situation in which you are involved, obviously, there really are few, if any, costs for the volunteers associated with the program, yet you are providing the community service. So, while I understand and see the value of taking someone from one part of the country and moving them to another part of the country, we are going to quickly bankrupt the system if we do not move more toward, or at least continue to encourage the kinds of things that Earlham and other schools are doing, because the housing, food and living costs are already paid for, for other purposes, and then we utilize the services of the volunteers within the community.

And Derek, that leads me to my question, which is what has been the participation of the colleges and universities in the Boston, of which there are a number, in this kind of program, and is this the kind of thing that can help to meet your needs without having to import someone, pay expensive rent, food and so forth, in Boston?

Mr. COELHO. I have to say that we have done some heavy advertising and recruiting at local colleges, but the response has not been too great.

Senator COATS. Why is that?

Mr. COELHO. I think that we have had to explain what VISTA is about; it starts with that problem, that there is no name recognition for the program, people do not know what VISTA stands for. So having to start from scratch, trying to explain what the program is about, often saying it is like the Peace Corps—I think what Senator Dodd was saying before about spending more money on promoting some name recognition for the program is really very important, because it is impossible to recruit with that.

Senator COATS. Nancy, is there something you did at Earlham that would be transferable to Boston colleges and universities? I mean, you must have had the same problem. If they didn't know what it was in Boston, they probably didn't know what it was in Richmond, Indiana.

Ms. WOOD. They still don't know what VISTA is in Richmond, Indiana. We had the same problem.

Senator COATS. Well, then, why are you able to get half the students, and Derek is not able to get any, or very few?

Ms. WOOD. Because we are matching students' interests and skills with the needs of our community, and we haven't really been encouraged to promote VISTA per se. We are encouraging students to do community service, to get out and serve, to make a difference, without the label of "VISTA".

Senator COATS. So you are getting around the nobody knows what VISTA is problem by not even describing it; you are just saying, "We need people to help with community service. We have a whole range of projects"—you said 70 different agencies—"and we will match you; what are your interests, and we will try to match you with that." If you are interested in helping the mentally ill, the elderly, community clean-up, whatever, we will try to find a place for you.

Ms. WOOD. Right. We are a student community service rather than a VISTA agency.

Senator COATS. But it takes the commitment of the college or the university first, does it not?

Ms. WOOD. Right, it sure does.

Senator COATS. And are you finding, Derek, that same level of commitment, or does the administration turn a deaf ear, or what is——

Mr. COELHO. I am afraid not, Senator. I have to say that in our area, most of the students who come to the Boston area come because of the reputation of Harvard College, MIT, or one of those schools, and there is not much interest, really, at this point in public service or community service. That has been my experience that the focus, really, is on career and what people are going to do beyond college. So we really have to do a lot of education before we can even get to recruiting.

Senator COATS. Well, maybe that helps explain the chart as to why there is the fall-off in the 18 to 27-year-old categories. Are we saying that young people, students, just aren't interested in that kind of thing?

Mr. COELHO. I am not saying that at all. I am just saying there is not enough promotion done as to VISTA, about the programs——

Senator COATS. So that our only problem is promotion—but I thought you just said that students at Harvard, MIT and so forth are much more interested in their careers than they are in community service.

Mr. COELHO. I think that it is both of those, Senator; it is a little of both. We need more promotion, too.

Senator COATS. I know, Monsignor, you want to react to that statement. I am just trying to understand.

Monsignor EGAN. In the colleges across the United States—at Notre Dame, where I was for 13 years, at DePaul University, where I am now—the interest of students in volunteer service, whether it be VISTA or any other kind of service, could not be at a higher level than it is at the present time.

Senator COATS. Well, then, why aren't they volunteering?

Monsignor EGAN. Well, I think, as Senator Dodd mentioned earlier, there has been just absolutely no advertising of VISTA. But they are volunteering. We are saying they are not getting into the

VISTA program, because VISTA is an unknown quantity on our college campuses.

Last week at DePaul University, the Vice President for Student Affairs invited all the volunteer agencies across the United States. The only one that didn't show up was VISTA. The same thing happened at Notre Dame. The Peace Corps came and got 22 of our students at Notre Dame University.

So I am saying VISTA is not publicizing its work.

Senator COATS. OK. But does it have to be VISTA? If young people are volunteering, does it have to be VISTA? If somebody says, "I want to do community service, I want to help out—I don't want to take a year and live in Appalachia or another part of the country, but I am willing to take 'x' amount of time to donate it to the community where I am"—isn't that as effective, maybe more cost-effective, than actually taking the year and donating it?

Nancy?

Ms. WOOD. Part of our success has been that we have empowered students to do the recruitment. We have done leadership training. They recruit their peers. They speak their language; they have the dynamism and the excitement to share with their peers, and it gets other people involved. When people are not trained to do the recruitment and are perhaps recruiting a different age level or a different group of people, I don't think it is as successful.

Ms. WOLL. Senator, my name is Lisa Woll, and I am the Director of Friends of VISTA. Monsignor is a board member of ours, and I was asked to accompany him today.

I would like to answer your question a little bit, if I may. There is an important difference between the program at Earlham and the VISTA program, and I think Derek is referring to that a little bit, and I think it reflects why you are seeing this difference.

First of all, VISTA is a full-time program, and I certainly don't downgrade at all what you are doing at the college. It is wonderful, but it is something that students can do while they are pursuing another life. VISTA asks you to commit an entire year of your life. That is clearly a reason for a difference in the kind of recruitment you need and the kind of support you need to give the volunteers.

I think the other issue is you have a college of 1,200 people. They are matching people up with their interests. They are saying to them, "If you want to serve, we will enable you to do so." In VISTA, you get referred to a State ACTION office, they will send you a list of projects, and from there you are on your own. They are not going to help you or enable you in any way.

I think that there are many, many more people who have the ability to serve in a student college program, and for that reason, I think they are wonderful, and VISTA supporters would advocate those.

But VISTA volunteers can do something very different. Someone who is there every day of the year can do a project that is very, very different and much more intense than a person who volunteers a few hours or a few days a week. I think we must remember that these volunteers can accomplish different things; both are important, but certainly, VISTA needs at least the recruitment that you are doing at your 1,200-person college, and I don't think they are even getting that. That is an important difference.

Monsignor EGAN. Senator, may I ask either one of the Senators a question? Why is it, in your opinion, that Peace Corps is doing well today and VISTA is not?

Senator COATS. Well, I probably ought to let Senator Dodd answer that, since he is a former Peace Corps member—but probably the lure, the exotic lure, of going overseas. That has always been an attraction. I think probably when you end up there, you wonder what was the lure—because they go to some pretty tough places, and the living conditions—I don't know—why do kids want to do a foreign study semester abroad? It is just the idea of something totally different, a totally different culture, and so forth.

But Chris, you probably have a better answer.

Senator DODD. I think that is a part of it. But the advertisement of "the hardest job you'll ever love" doesn't focus so much on the foreign travel. I must say, clearly, that is in the minds of people and part of the attraction. But you cannot convince me that VISTA couldn't do as well.

I think back to myself at age 22, and why did I join. I have been asked that question once a week, I think, since I have come back, and certainly since I have been a member of Congress; people are always curious.

And it was because someone really asked; someone really excited me about something. It wasn't so much going to the Dominican Republic—I didn't even ask what country. I didn't even really care where they sent me. I ended up there by accident, in Latin America, and specifically in the Dominican Republic. So it wasn't as if I was trying to get someplace in the world—although I am sure that was part of the idea of going overseas and learning a foreign language.

But the idea was that someone really said this is worthwhile, this is exciting, you are going to be a better person, you are going to be an enviable person. There was a stature associated with it that was created through national leadership, in many ways. It was "the thing to do" in some ways. Vietnam had not really reached the critical mass that it had as an issue in 1965, although it would shortly do so, and it was why people ran off from law school to join the Justice Department. They flocked there. Only the top students made it into the Justice Department out of law school in the early and middle Sixties, because it was something that was very worthwhile doing, a highly competitive operation to get into. Today, obviously, we can't get them; they are all going off to firms that are paying $60,000 and $70,000 a year.

So it is a question of whether or not national leadership makes this an important question, makes you feel important for having volunteered to do it. And while I think foreign travel may have a tangential benefit to it, I really think that is minor in terms of the overall question of whether or not one wants to serve.

If it becomes really an attractive, appealing, sort of status symbol, in a sense—I hate to use those words, but that is what happened in those early Sixties. You can attribute it to the President, you can attribute to other people, Sergeant Shriver and others—I think that all has some legitimacy.

I happen to feel that George Bush has a lot of the same qualities of a John Kennedy. I think he has the same sense of family, the

same sense of public service, the same sense of commitment to the country. I really believe that George Bush would very much like to tap into that same vein that President Kennedy did—they may have other differences, but I think there are some great similarities there. The question is whether or not you get that call.

There was the famous story where they asked a volunteer why he hadn't done something like that before, and he gave the very simple answer that nobody ever asked him too.

So I agree with the Monsignor completely—and I think you are all saying this—there is no lack of a pool to draw from, and we are seeing it—50,000 kids, even at the high school level, are volunteering in this country today in State programs, for the Conservation Corps, Youth Corps, and Job Corps kinds of things, in nine States, which is a good indication that the pool is out there.

I just think we are doing a rotten job of emphasizing the importance and raising the status of it—which is something that a national campaign could do. A local agency can only do so much—you can write brochures, you can work one-on-one. But until there is a certain cachet associated with this kind of thing, where people are talking about, "What are you going to do next year?" and someone stands up and says, "I'm joining VISTA"—and a lot of heads go, "You know, that's not a bad idea." But if everyone says, "What's that?" you've got a problem—and I think that is what is happening.

Let me just ask you a few questions, and I again apologize. We have covered some of this. I was curious to try and get some sort of response from Ms. Alvarado's statements.

Let me just ask all of you, having heard the administration's arguments on the literacy programs and so forth, if you have any general comments or observations about the administration's testimony this morning. Let me make it an open-ended question and ask each and every one of you if you have some comment you'd like to make about that testimony where you would agree or disagree with statements that have been made.

Mr. Smith?

Mr. SMITH. If I may, Senator I would question how the agency is going to support the absorption of the VISTA Literacy Corps into the regular VISTA project and still effect an 11.5 percent increase in subsistence allowance, asking for an increase of only $1.9 million. The numbers, in my mind, just don't pan out very well—you have a $2.8 million allocation for VISTA Literacy Corps, you are going to absorb all of those back, and still effect an 11.5 percent increase.

Also, I would say that it is consistent with the agency's testimony that administrative support has been lacking, which is part of the reason why, at least in my own experience, recruitment has been so difficult. The Upstate New York State office, which they attempted to close not too long ago, has two staff people and has not had clerical support for over four years. There is no secretary there; all of the correspondence that comes out is hand-written. They relied very heavily upon literacy volunteers in New York State through the years that we had projects and grants to not only recruit our own VISTA volunteers through our local affiliate network, but also to do the semiannual training. Oftentimes, we

were asked to include VISTA's outside our own project into our trainings that we supported. Fortunately, we did have some support from the Federal Adult Education Act and now through the State Education Department to support some of the overhead costs that are required for that kind of work.

Recruitment was on our own. We had, as I say, 53 affiliate programs scattered all over New York State, from the tip of Long Island up into the north country and all points in between. Recruitment is done at that local level. We assign a VISTA service year to one of those affiliates and say, "You are on your own" to identify an individual, and we do our best to assist them in that regard.

Unlike Nancy, we don't have a college or university which supports our activities. Back in the early Eighties, we had a grant of exactly $60,069 to support our State organization; the local affiliates had far, far less than that. So we relied very heavily upon that human resource that VISTA provided for us.

One of the inconsistencies, though, is as Ms. Kennedy admits, it takes at least six months to start a program up; and yet nationwide, as I am talking to my colleagues, programs are being closed down, including in the State of Illinois—I got a call from a friend out there who indicates that Literacy Volunteers of Illinois has been told that they are not going to get VISTA volunteer support, Literacy Corps support next year. And yet it takes the time to get into the position to be able to run these programs, and consistently programs are being discontinued and new programs are being started. Our own was discontinued in this last year, also, which part of my testimony also details. We requested and received Congressional Delegation support from New York in the first year of VISTA Literacy Corps, and we got our grant; in the second year, we opted not to solicit that same support and did not get the grant. So we are without, at this point, a direct VISTA Literacy Corps grant.

So there are a-lot of inconsistencies from my point of view. Again, the point I made that the local community does not sit down and determine its priorities. The homeless groups don't get together with the literacy groups don't get together with the programs working for job security and job training and decide, okay, job training is the most important part of what we are trying to effect in our local community, you guys go after the VISTA program this year.

In fact, we compete. And it is unfortunate—having heard Derek—to say that our issue is more important, and it requires a set-side. And then I listen to what Derek's comments are, and I say, wow, I'm not sure. But I still want my Literacy Corps.

Senator DODD. Anyone else?

Ms. WOLL. Senator, you may not have seen it yet—while the agency has not found it necessary to do an evaluation of the Literacy Corps projects, we did. We did this last year, and the results came out in April. There are a number of interesting statistics; I will share one of them with you, which is that every project which responded to our survey told us they could not maintain their level of activity without Literacy Corps VISTA's; 80 percent could not continue to increase the level of activity within their projects without Literacy Corps VISTA's.

I would like to also respond to one of the points Kevin made. I am quite puzzled by how the administration feels that by eliminating 335 volunteer service years—and it is an elimination, because their budget for this year will only support the 2,600 service years already in VISTA; by eliminating 335 volunteer service years, we are increasing the flexibility of local communities. I don't know of any poor community that would feel that their flexibility has been increased by eliminating the Literacy Corps. And I feel that for an administration to come to this committee and try to make that argument is just appalling and insulting to poor communities across this country, and I would hope that it is something that will not be taken seriously.

Senator DODD. Let me ask you—I have mentioned this to you privately, but let me ask you for the purposes of the record—about this resolution to figure out a good way to commemorate the 25 years of VISTA in this country. I would like to ask Friends of VISTA to be directly involved with that and to come up with some ideas. We heard Ms. Alvarado talk about some of the things they are planning, and I think some of them are excellent ideas, but ways in which we might coordinate some good activities.

I will not ask you at this point to spout off the top of your head, but let's be in touch on that over the next few weeks.

Ms. WOLL. We will be pleased to do that.

Senator DODD. Thank you.

Derek, did you have any comments at all on Ms. Alvarado's testimony?

Mr. COELHO. I had one comment, Senator, that had to do particularly with the fact that Ms. Alvarado talked about trying too recruit local community volunteers to do a lot of this very difficult work.

We did in fact try to do that in Boston at St. Francis House, and we had a very difficult time finding people who would volunteer even though they had residences in Boston, for that low subsidy allowance and stipend.

We also had a problem recruiting people who were already receiving some form of subsidy that would not affect the receiving of VISTA stipend, because these people found the work too stressful. They themselves were a step away from homelessness, and they did not feel that they could in any way serve homeless people when they were just a few steps away from it themselves.

So we have had very, very major problems trying to recruit, particularly low-income people and in our own community.

Thank you.

Senator DODD. Nancy?

Ms. WOOD. No, I don't have any further statement, Senator.

Senator DODD. All right. I thank all of you very much for being here this morning. We will be in touch with you.

I did not get to some of the questions about base pay, which has been at $2.20, and there have been some suggestions about getting it to $2.50, but we will submit some additional questions to you, and if you would respond in writing to the committee—we have not set a date yet for the markup of the reauthorization, so we will have some time.

Senator Kennedy, by the way, who wanted to be here with us this morning, will be making some proposals about doubling the size of VISTA over the next several years and a number of other areas.

I have a bill in on voluntary service which directly ties in with ACTION. It is a more modest approach on national volunteer service than has been suggested by some of my colleagues, but it takes ACTION and breathes life into it in terms of a national volunteer program. I am concerned that we are going to go out and have a big push this year for national volunteer programs, and we've got a number of suggestions, and it is going to be set up over here, and you've got ACTION over here, and it is kind of silly that we are not maximizing the use of ACTION with any new ideas we come up with as a way of increasing volunteerism in this country.

Again, I thank all of you for being here.

Senator DODD. Our last panel of witnesses includes Winifred Dowling, President of the National Association of RSVP Directors; Betty Pate Manley, President of the National Association of Foster Grandparent Directors; and Berryl Thompson, President of the National Association of Senior Companion Directors.

I would ask all of you to come up and take your places here at the witness table, and I would ask all of you, beginning in the order I have introduced you, to limit your statements to 5 minutes or so, and then we will get to some questions for all three of you.

STATEMENTS OF WINIFRED DOWLING, PRESIDENT, NATIONAL ASSOCIATION OF RSVP DIRECTORS, EL PASO, TX; BETTY PATE MANLEY, PRESIDENT, NATIONAL ASSOCIATION OF FOSTER GRANDPARENT DIRECTORS, SAN JOSE, CA, AND BERRYL THOMPSON, PRESIDENT, NATIONAL ASSOCIATION OF SENIOR COMPANION DIRECTORS, OPELOUSAS, LA

Ms. DOWLING. Thank you, Senator.

I am Winifred Dowling, and I am the immediate past President of RSVP Association. This is a very special day for me because I worked for, first, VISTA and then Peace Corps for 10 years, so I feel a very special feeling about this whole tiering.

I feel this way. I have the same kind of excitement that I had about Peace Corps in the early Sixties when I talk about RSVP. Maybe it is a function of my aging, too, but I see tremendous possibilities for RSVP. It has 400,000 volunteers. It must be the biggest unknown program in the country. But more than that, I think we can be tremendously proud of the leadership that we have in the world. No one, even the most sophisticated countries, have anything like our three senior volunteer program.

We not only provide the leadership, but we are virtually the only people who understand volunteerism, I think, at all ages, and have been able to use the human potential at all ages.

So, all the ACTION programs are very special to me.

RSVP is, as I said, almost 400,000 volunteers. It has grown by 100,000 just during this past administration through, I would say, basically, the help of Congress and the efforts of the RSVP project directors. There are 750 projects in this country.

One of the hardest things about RSVP is to explain what it is. It is rather like VISTA—nobody knows what it is. One of the things that we are going to be asking for is some real help on national promotion. But it is also hard to explain because, as one of our board members said, it is like a 400,000-pound gorilla that can go everywhere and do anything. But we do so much that it is difficult to explain.

I can tell you about our own project in El Paso, TX. El Paso is an extremely poor city—the poorest major city in the country—and there are 1,600 volunteers there, working in mostly poverty-related fields. Three-quarters of them are Hispanic; some of them speak no English at all. Some of them have never gone to school, because they grew up in Mexico, without any possibility of going to school. But some of them are also Ph.D's. There is a wonderful diversity in this program.

The Association just recently did a survey to get a feel for how many of our 400,000 volunteers are low-income, and the estimate of the directors is that it is 41 percent. So we feel very strongly about—it tells you a lot about the program that 160,000 low-income older people are willing to serve as volunteers, often at cost to themselves, because of course there is no stipend, and there often is not enough money to repay them for transportation or meals or anything else. So that they are not only volunteering their time, but often out-of-pocket expenses.

The growth of the program has not been slow despite the fact that there has not been a lot of support in the past administration. And we hope that it will continue—we intend that it will continue to grow.

One of the wonderful things about RSVP is that it can grow with very little money and very little help and just a bit of help will make a big difference.

What we are going to be proposing in the legislation is that we work in six areas of national significance. The six areas that we are looking at are literacy, respite care, programs for latchkey children, mentoring projects for at-risk youth, work with teenage parents, and work with the AIDS victims, including babies born with HIV virus.

All of these things are already done by some RSVP projects. But the amazing thing about RSVP is you could mention any community concern or any national concern, and I could tell you that there was an RSVP project working on it.

But what we are going to suggest in these programs of national significance is if we could put a little bit of money behind each one—and I mean a little bit of money, maybe $5,000 for a project—that that kind of thing can mean the ability to recruit a great many more volunteers in this kind of specialized programming.

Another thing that we would hope for is some way to be able to get increased funding. In the last ten years, we have only gotten one COLA of 3.4 percent, thanks to Congress, and we are suffering.

I was interested in ACTION's chart on program funds have increased, and program administration funds have increased 50 percent less than program funds have increased.

We, of course, have exactly the same problem, indeed even worse, at the local level, because we have all the problems of

paying more for telecommunications and printing and postage, and we, of course, don't have Congressionally-mandated budget increases or salary increases. So we are often in even a tougher position.

We believe that ACTION should have more administration money so they will be able to do some more recruiting and more national promotion. But what we would ask is for some kind of parity, that as ACTION increases its program administration moneys, so could the local projects, where the recruiting and the training is going on.

Thank you, Senator.

Senator DODD. Thank you very much.

[The prepared statement of Ms. Dowling follows:]

PREPARED STATEMENT OF MS. DOWLING

Senator Dodd and members of the subcommittee, thank you for inviting us to present testimony on legislation to reauthorize the Domestic Volunteer Service Act. My name is Winifred Dowling. I am Immediate Past President of the National Association of RSVP Directors and the Director of the Retired Senior Volunteer Program in El Paso, TX.

In its 18 years of existence, the Retired Senior Volunteer Program has grown to 750 projects with over 400,000 volunteers. Membership in the National Association of RSVP Directors includes 70 percent of those projects. Our essential purpose is to support the improvement of RSVP programs and to advocate for older Americans as a vital national resource.

I wish I could describe for you a typical RSVP volunteer. But the scope and range of their activities is so great that it is impossible to provide a capsule description. One member of our Board has described RSVP as a "400,000 pound gorilla that can go anywhere and do anything." We who work with RSVP volunteers have no doubt they can go anywhere and do anything.

Perhaps a brief outline of the RSVP project in El Paso, TX, can give you some ideas of the wonderful complexity of RSVP. There are 1,600 RSVP volunteers in El Paso, ranging in age from 60 to 104 years old. Although most of the volunteers are in their 60s and 70s, close to 200 are in their 80s and 90s.

Their backgrounds include retired truck drivers, college professors, retired military, housewives, nurses, accountants, farmers, teachers, secretaries, cooks, executives, etc., etc. Their education can range from Ph.D's to people who have had no formal schooling at all. The volunteers work at 121 different sites, including nursing homes, senior centers, schools, museums, and day care centers. Volunteers often work in less traditional ways, for example, with the Police Department, building housing for the homeless, acting as role models for teenaged parents, helping organize a model program for long-term care, acting as a watchdog for health care costs, doing historical research, tutoring illiterate adults, and so on.

That same story could be repeated 750 times with a breathtaking variety of volunteer job descriptions. The RSVP program is meant to provide meaningful opportunities for volunteer service. We do not just fill slots, but rather try to fashion the best job for each volunteer. We make a special effort to recruit those who might not otherwise volunteer. That includes trying to involve more older men, more minority volunteers, more retired professionals, more handicapped people. It is not well known that RSVP volunteers can be in wheelchairs, or use walkers; they can be blind or deaf; they can be homebound or nursing home residents. Even severely handicapped and frail elderly still want an opportunity to contribute, and RSVP is that channel.

I have only briefly touched upon the major aspects of RSVP, but I think you can see how difficult it is to explain who RSVP volunteers are and what they do. One thing is clear: RSVP volunteers do not belong to the "Me Generation."

The association completed a survey recently and we have, for the first item, some estimates on incomes of RSVP volunteers. According to the survey, 41 percent are low income, 49 percent middle income, and 10 percent upper income. It says a great deal about the volunteers and the program itself that 160,000 low-income people are willing to volunteer their services without recompense and, in most cases, at some cost to themselves.

With the greatly increased interest in national service, the National Association of RSVP Directors urges that older Americans be given an appropriate place in any plan to expand volunteer opportunities.

The National Association of RSVP Directors is grateful for the consistent support of RSVP from Congress. We have several recommendations for changes in the Domestic Volunteer Service Act that we believe will enhance the opportunities for volunteer service, respond to pressing community needs, and take into account the increasing numbers of older Americans.

We would like to see the RSVP purpose clause clarified to reflect the significant contributions made by RSVP volunteers and the attendant benefits to their communities and to themselves.

There have been a number of major studies that attest to the health benefits of volunteering—both comparing volunteers and non-volunteers and comparing beginning and long-time volunteers. Many evaluations point to the cost savings to agencies and non-profit organizations where RSVP volunteers serve. But to know RSVP at its best is to hear stories that all RSVP directors can tell . . . I think of the retired executive in deep depression until RSVP gave him a new lease on life;the retired truck driver whose management skills blossomed by running a senior center; the woman crippled by arthritis who started a rhythm band at a nursing home; the volunteer with cancer who served until the last days of her life. Every RSVP director in the country could give similar examples of the capacity of RSVP to tap the human potential.

To address specifics in the Domestic Volunteer Service Act, we recommend that the entire subsection on non-stipended volunteers be deleted. Our view has been that the notion of non-stipended volunteers in the Foster Grandparents and Senior Companion programs is simply duplicative of what RSVP projects already are doing or could do. It places unnecessary administrative burdens on Foster Grandparents and Senior Companions projects. The plan has simply not worked. We understand that nationwide there are currently only 80 non-stipended volunteers. There are many RSVP projects that alone have more than 80 volunteers doing Foster-Grandparent- or Senior Companion-type service. All three Older American Volunteer Program Associations agree that the non-stipended volunteer provision is not an effective way to expand volunteer opportunities or client services.

Regarding the promotion of the Older American Volunteer Programs, we would encourage ACTION to make a significantly greater effort to promote, support, and coordinate the OAVP programs at the national level.

We are concerned about the lack of national public awareness support for RSVP. Although RSVP volunteers make up 80 percent of all ACTION volunteers, it would be generous to say that 20 percent of the time, money, and materials available to ACTION Public Affairs is actually spent on RSVP. During the past few years there has been no policy of placing articles about RSVP volunteers in national publications; the last RSVP film was made in 1979; the last RSVP TV spot aired four years ago; there have been no new RSVP flyers or brochures for several years; the Older American Volunteer Program publication has been discontinued, and RSVP is scarcely mentioned even in ACTION's in-house newsletter.

Public information is essential for RSVP projects, particularly because of our continuing recruitment efforts and because of RSVP's size and complexity. ACTION recognizes this and encourages as much public relations as possible on the local level. Nonetheless, RSVP can be a much more effective program with a strong national identification, and ACTION has not lent its public affairs efforts towards this goal.

To try and fill this void, the National Association of RSVP Directors has designated a nationwide promotional theme every year to recognize RSVP volunteers. Last year the publicity during Volunteer Week resulted in over 300 newspaper articles, national TV coverage and dozens of local television and radio stories. This year the theme will be "Hats Off to Volunteers" and we will also honor the 22 RSVP volunteers who are over 100 years of age.

The national association of RSVP Directors recommends the coordination of long-term care initiatives and the frail elderly service program of the Older Americans Act. This is the kind of coordination that benefits all participants. RSVP volunteers are already widely involved in services to the frail elderly; volunteers can perform services which augment—or in some cases, substitute for—other home care. We feel that in providing long-term care alternatives, there should be a formal role for volunteers. Further, we believe that a defined working relationship should be established between the Administration on Aging and ACTION to promote interaction between these two programs.

We believe that ACTION should be encouraging the work of private sector organizations and associations that promote senior volunteerism. A case in point is our own RSVP Directors Association. The Association has been responsible for two significant public/private partnerships—the first in collaboration with Laubach Literacy Action, Dayton Hudson Foundation and ACTION and the second with Exxon Corporation and ACTION. We have published a how-to manual with the American Association for International Aging to show interested persons around the world how to start an RSVP program. We developed a national awards program to honor both ACTION employees and private organizations who support RSVP; the Association provides training sessions at State and national aging conferences, such as the Delaware Conference on Aging and the National Council on the Aging.

We have entered into an agreement with the American Association of Retired Persons Volunteer Talent Bank to recruit skilled volunteers. We have addressed national issues in the areas of volunteerism and aging with the Public Health Service Year 2000 Health Objectives Consortium, the American Red Cross Volunteer 2000 Conference, the 1991 White House Conference on Aging, among others. The Association supports individual RSVP projects by offering recognition items, computer software and volunteer management books and tapes. We are a member of the Leadership Council of Aging Organizations, Generations United, the Long Term Care Campaign, Advocates Senior Alert Process, and the National Association of Families Caring for their Elders. We work closely with AARP, NCOA, American Association for International Aging, to name a few.

Despite all these positive activities by the National Association of RSVP Directors, ACTION has a policy of not approving the use of ACTION resources to facilitate Project Directors Association meetings. This is the kind of policy that does not further the goal of achieving the best possible RSVP projects. There needs to be a Congressional mandate to preclude policies like these and overturn the present restrictive policy.

As part of RSVP's ability to respond to urgent community needs, the National Association of RSVP Directors recommends the authorization of three "Programs of National Significance" to include components that further involve RSVP volunteers in literacy programs, respite care, and library programs for latch-key children. Many RSVP projects have experience in these areas, but it is not an exaggeration to say that every one of the 750 projects could successfully match volunteers with positions in literacy, respite care, or latchkey programs.

In terms of literacy, ACTION collaborated in the very successful National RSVP Literacy Project in partnership with the National Association of RSVP Directors, Laubach Literacy Action and the Dayton Hudson Foundation. this notably popular project (over 60 percent of RSVP projects asked to receive information through joining the RSVP Literacy Network) was discontinued on December 31, 1988. We believe the crushing need for programs in adult literacy should continue to involve RSVP volunteers, and we should build on the clear success of the National RSVP Literacy Project.

Respite care is an area where volunteers can uniquely serve. It is recognized that the need for help to family caregivers has increased beyond the community's ability to respond. The National Association of RSVP Directors worked with ACTION on the recently completed evaluation of family caregiver services. We heartily agree with the general conclusion of the study that "ACTION's family caregiver services are much needed, high-return volunteer activities, warranting both appreciation and expansion."

The third national initiative is in the area of intergenerational programming. We support the wide involvement of RSVP volunteers working with latchkey children in libraries. RSVP volunteers have been working with a variety of programs with latchkey children, and ACTION has just launched a library after-school program at 13 RSVP project sites.

We are recommending an authorization level of $2 million for each of the three national initiatives. We estimate that the full authorization would enable RSVP projects to recruit as many as 66,000 additional RSVP volunteers.

We are very much in favor of elevating the position of Director of the Older American Volunteer Programs (OAVP) to a Presidential appointment and of reinstating three separate positions to direct RSVP, the Senior Companion, and the Foster Grandparent Programs. In the early years of ACTION, the OAVP Director position was a Presidential appointment. It would certainly enhance the program to return the position to this level, and it would provide for more focus. It is equally true that each of the three OAVP programs deserves an individual chief to direct the national efforts.

The National Association of RSVP Directors recommends a 5 percent annual increase in funding levels. There are now over 400,000 RSVP volunteers, but there are 35 million Americans eligible to join RSVP. The cost-effectiveness of RSVP is undeniable: fielding one volunteer for an entire year has a Federal cost of $91. We would like to ask for a percentage increase higher than 5 percent, but given the realities of the budget we will keep our recommendation at 5 percent.

RSVP projects have had real hardships over the past decade because ACTION grants have no mechanism to deal with inflation. Congress tried to relieve some of this pressure by allocating a one-time COLA for fiscal year 1988. Thus RSVP projects received a 3.4 percent increase last year after more than a decade without inflationary increases. We feel there needs to be a provision built-in to the authorizing legislation to insure that grantees receive a minimal COLA each time their annual grant is renewed.

We are proud to be associated with RSVP, and we look forward to working with you as you develop your legislation. The very notion of senior volunteerism has only emerged in the last 25 years. It stands on the threshold of much greater influence in retired peoples' lives. It is ironic that the enthusiastic promoters of national volunteer service have overlooked the vast contributions of older volunteers.

We would like to thank you for your awareness of this great resource. We are very grateful for your commitment and for the legislation that encourages the increasing involvement of senior volunteers.

Thank you, Senator Dodd and members of the committees, for the opportunity to appear here today on behalf of the National Association of RSVP Directors.

Senator DODD. Ms. Manley?

Ms. MANLEY. Thank you very much, Senator Dodd.

I am Betty Manley, and I have been a director of a Foster Grandparent Program for 16 years, and I am also the President of our National Association of Foster Grandparent Directors for three years. I am very proud of both of those things.

I have prepared a statement, which I ask that you make a part of the record; and also, I have our local Foster Grandparent Program Newsletter, which has articles written by the Foster Grandparents about their work and what it means to them, and I would like that to be made part of the record, too. It is the heart of our program, and I hope that you will find time to read that—it makes for more interesting reading than our prepared statements. Everybody always likes the case studies; that is a lot better than the dry stuff.

I would like to highlight some of my testimony with suggestions for change in the authorization.

One is something that I think you will have some awareness of, considering the VISTA testimony, and that is we would want ACTION to be mandated to undertake public awareness activities. I, too, find their efforts incredible. We need regular and frequent public service materials. We need posters and brochures, and we need videos and slides, and obviously, the public service announcements, and those need to be things that depict our programs directly and appealingly to the local communities—it cannot be vague—and we need an ongoing effort.

The next item that I would like to ask for is a section in the law for programs of national significance, one being placing foster grandparents in daycare with special needs children. There are many children in daycare with developmental delays, children at risk because of violence or abuse, or because of alcohol and drug abuse in their homes, and foster grandparents can have a very great impact at such an early age. I have personal experience with that in my own program. We are in a daycare center at our local

Navy air base, and they have made a significant change in some of the children that they have worked with.

And since we first proposed this at the House hearing, we have heard a lot of support for another component, and that is to provide services to teenage parents; and I want you to know that we do support that whole-heartedly. Many of us, including myself, already do that in the community. Our program serves one school, which has teenage parents. I get requests from many other programs in the community in San Jose.

I have a study here called, "Partners in Growth: Elder Mentors and At-Risk Youth". This was a recent study. Two of the programs looked at were Foster Grandparent Programs, one in Portland, ME and one in Detroit, MI, working with teenage parents. They have a wonderful, steadying effect and true love to give to the youngsters. They really know what those teenage parents need.

The next thing that I would like to mention is the request for a stipend increase. We have not had a stipend increase in a number of years. It is currently $2.20 an hour. We already have a minimum wage raise in California, so we already see how difficult it is to recruit, because there are other things that low-income people can do who really badly need the money. I might point out that teenage babysitters make close to $5 an hour in my own area. And if we do value the Foster Grandparents, I think that this is something that Congress needs to consider.

Then the last thing is a mechanism for an annual COLA adjustment, which is a subject very dear to my heart. For years and years, we have had no Federal increase, as Freddy Dowling has mentioned, and with inflation, that has been like a cut each year.

There was something good for me about having it be the same every year, because it was awfully easy—I just asked for the same amount of money every year, and I could tell by how much money I spent what month it was and the day of the month, almost.

But the bad thing was that I was stuck with what to do about that and how to make ends meet.

We are a people-to-people program also, of course, and under present conditions, we just don't have strong enough administrators to do the kinds of things we need to do—recruitment to the hard-to-reach, the culturally-isolated, the poorest of the poor, ethnic minorities—we are mandated to do all these things. Instead, we are inclined to take the people who walk in the door.

We cannot provide the service in rural areas. I myself had to cut a program that we had in a rural area outside of San Jose, because I simply could not do it anymore. We cannot give them the support they need. We have more and more older volunteers. I have ten people in my program over 80. It is wonderful, but they needed added support. They have more medical problems, they have more housing problems, they have sensory deprivation—they need a lot of direct services in order to stay in the program.

I do not abdicate our responsibility to raise money—we have, but it is getting more and more difficult, and the burdens of fund-raising besides running programs are just really enormous. And I know how other programs are suffering also, because they tell me.

My term is going to be up this year, and if I leave no other legacy, I'd like to leave the one of a COLA being passed by Con-

gress during my administration as President of the National Association.

Thank you very much.

Senator DODD. Thank you.

[The prepared statement of Ms. Manley follows:]

PREPARED STATEMENT OF MS. MANLEY

Mr. Chairman, members of the subcommittee, thank you for inviting me to testify today on the reauthorization of the Domestic volunteer Service Act. My name is Betty pate Manley. I am President of the National Association of foster Grandparent Program Directors and Director of the Foster Grandparent Program in Santa Clara County, California, whose sponsor is Catholic Charities.

The National Association of Foster Grandparent Program Directors was formed in 1971. We represent a majority of the programs in the Nation.

The purpose of this organization is to provide a unified body to deal with the concerns facing older Americans and to work together toward improvement of the Foster Grandparent Program and the betterment of life for the Foster Grandparents. I have included with my testimony a fact sheet on our association, and I ask that it be made part of the hearing record.

As you know the Foster Grandparent Program is nearly twenty-five years old, having begun in 1965 with twenty-one programs funded by the Office of Economic Opportunity. The Foster Grandparent Program is recognized as the first Federally sponsored "intergenerational program," one benefiting both seniors and children. It is also one of the first "productive aging" programs—which is a new term referring to programs that recognize and utilize the contributions that older persons can make to their communities.

The Foster Grandparent Program is much different today than when it started in 1965 as an income supplement program for low income seniors. When the first twenty-one Foster Grandparent Programs were initially funded, groups of Foster Grandparents (35-40) were placed in large institutional settings where they were assigned to provide one-to-one, ongoing and consistent relationships with mentally and/or physically impaired, emotionally disturbed or dependent and neglected youngsters. This, then, became the "traditional" type of program and remained so for several years with the senior volunteers, all of whom are low income, and sixty years of age or older, serving twenty hours per week, usually every morning, Monday through Friday. Management of the programs was fairly simple as a small staff could readily supervise the seniors assigned as they were in large groups within one or two volunteer stations.

There have been spectacular and exciting changes in the Foster Grandparent Program since those beginnings, and there are over 250 Federally funded programs in operation today utilizing the talents and skills of over 18,000 foster grandparents. The program has gradually taken on a much broader, community-based structure. This has enabled foster grandparents to serve children with a wide range of special and/or exceptional needs and has also served to demonstrate the true versatility of the senior volunteers and their ability to adapt to youngsters of all types, in a variety of setting and exhibiting many levels of behaviors.

As an example of the above, and using my own program in San Jose as demonstration of these changes, we currently have 85 foster grandparents placed in community settings in assignments that vary and include: working with teenage mothers and their small children, substance abusers, juvenile delinquents, run-away youth, abused and neglected children, infants born to addicted mothers and therefore addicted themselves, non-English speakers, and other children and youth who are non-literate for a variety of reasons.

These changes have brought with them many new challenges. Supervision that was adequate for groups of Foster Grandparents placed within one or two settings can no longer be effective when that same staff must cover the same, or an increasing number, of seniors assigned to 6–15 settings.

It is important to stress that the provision of good, strong supervision for the Foster Grandparents is a key element in the success of these programs. This includes not only giving needed direction and support to the volunteers in their relationships with their assigned foster grandchildren, but in also assisting them in any other way that can aid in enriching their lives, and providing the support they need as they grow older to continue to volunteer as Foster Grandparents—personal and/or family problems, housing and medical difficulties, legal needs, etc. I might add that the average age of volunteers in my own program is now 75 years.

The training needed by the Foster Grandparents must be as varied as the types of placement utilized. Current program budgets stretched to the limit and providing minimum supervision contain no provisions for much needed training of foster grandparents. Recruitment goals mandated by regulations cannot be met under present budgets. Because of lack of funds, the tendency of directors is to enroll into the program people who contact them on their own initiative. The obligation to reach the hard to reach—those most in need of our services—those with lowest incomes, the isolated, ethnic minorities and the disabled—cannot be fulfilled under present budget constraints.

Program resources are presently stretched far beyond their limits, and the majority of programs are finding it extremely difficult to survive and/or to maintain quality operation. The needs of the programs must be addressed if they are to continue to provide the very fine services to seniors and children that brought the Foster Grandparent Program to national prominence.

Foster Grandparent Program sponsors and directors have long recognized and acknowledged their role in, as well as the need for, seeking local and private sector support. It is vital, however, that we all are aware of the fierce level of competition for such resource and of the fact that the availability of such funds continue to diminish. Communities are experiencing cutbacks of their revenue sharing allocations, State and local agencies have fewer dollars for programs, and private sector resources can be stretched only so far. Although Foster Grandparent Programs have been successful in obtaining monies from the above sources to augment their budgets, no existing program can continue to operate without the support received from ACTION.

A graphic example of the difficulties facing programs because of frozen Federal budgets is that may own sponsor, Catholic Charities, after sixteen years of meeting all COLAs by increasing their contribution to the program, informed me that for fiscal year 1988, they not only would not be able to provide a COLA but would also have to cut their current support by $10,000. The alternative was that they would have to drop the program.

This is an indication of the extreme financial situation local non-profit agencies find themselves facing. In talking with other program directors, I find others who report similar situations with sponsors saying for the first time and with obvious reluctance that they are considering whether or not to continue sponsoring the programs.

With this background, I would like to go to our suggestions for legislative change.

1. Deletion of the non-stipended volunteer provision in the current law. As you know, our national association opposed this provision at the time of its legislative enactment on the grounds there would be a dearth of people who would want to participate, and this proved to be true. Some programs had done this on a limited basis before the enactment of the legislation, and we were not opposed to this. However, we did not want to be pressured to spend a lot of time and effort looking for non-stipended volunteers when our experience had taught us finding them was not realistic. We would like the provision stricken from the books.

2. Increase in the authorization for the Foster Grandparent/Senior Companion stipended from $2.20 to $2.50 per hour. The stipend has not kept pace with inflation. The last raise was in 1985.

There are now a number of programs providing employment and opportunity for service to seniors. It is not unusual for these programs to pay the seniors $8.00-$10.00 an hour. It is very difficult for the Foster Grandparent Program to compete with these other programs.

Since we place seniors with the lowest incomes, they have the greatest need for an increase in their hour stipend. If we value so greatly the work they do with the children, they certainly deserve a stipended raise.

3. A provision mandating that ACTION undertake public awareness activities to promote the Older Americans Volunteer Programs. Current activities are infrequent and sporadic and not helpful to local programs. We need an ongoing effort by ACTION with such items as posters and brochures which are specific to each program and which are designed to depict our programs directly and appealingly to our local communities.

4. A provision that will encourage the Direction of ACTION to work with private sector organizations and associations such as the National Association of Foster Grandparent Program Directors in their efforts to promote the Older American Volunteer Programs. Currently, there is a policy discouraging the work of the associations which needs to be overridden. Our national association has accomplished such things as spearheading the execution of a Memorandum of Understanding with the Department of Defense and raising local monies.

In 1987, 29 percent of Foster Grandparent Program funds were non-ACTION funds. These are funds raised by directors who consult and advise each other on this subject through the association. For example, in California the Foster Grandparent Program obtained funds for State supported foster grandparents through the work of the association with the State legislature. The funding level is currently $366,000. This has happened also in a number of other States. We also provide technical assistance to directors. With the encouragement of ACTION, the association could work with ACTION to strengthen the program for the greater good of the seniors and the children they serve.

5. A new section to be entitled: Programs of National Significance, which would include a new component focusing on the assignment of foster Grandparent volunteers with special needs children in day care centers. This subcommittee's work on a comprehensive child care bill underscores Congressional concern about the child care dilemma in this country. There is a role that Foster Grandparents can play here. Many of the children being placed in day care have special needs, such as developmental delays; others are at risk because of family situations of drug and/or alcohol abuse, violence, etc.

6. Upgrade the Older American Volunteer Programs Director position at ACTION to a presidential appointment in order to highlight national attention and commitment to senior volunteerism. Also ensure that there is a separate program office responsible for each of the three Older American Volunteer Programs. This had always been the case until recently. Currently, the Foster Grandparent and Senior Companion Programs are combined with one person responsible for both programs. Each program has a need for a separate identity. The focus of each of these programs is very different; each is concerned with a highly specialized field. There are different recruitment needs and different training needs. Each program deserves the visibility a separate head would bring.

7. Four years reauthorization with a 5 percent increase in funding levels each year would provide for priority concerns of the National Association of Foster Grandparent Program Directors which are:

a. A stipend increase within the four year period.
b. A mechanism to provide a COL increase for OAVP grantees.
c. A minimum amount of program expansion.
d. Funding for a program of national significance involving Foster Grandparents in day care.

To come back to the need for a COL increase, if we had had this annual adjustment since the beginning, as many Federal programs do, and for some reason we did not get, some of the problems I have discussed earlier would not have happened. The ability of programs to recruit, train and support the very low income elderly has been handicapped because we do not have strong enough administrative systems due to frozen Federal budgets. ACTION has not given us the administrative support needed to do the job well.

Many of the concerns I have brought to your attention can be addressed trough these suggested legislative changes. Other concerns may not include a legislative remedy, but because of your oversight responsibilities for ACTION's programs, I wanted to take this opportunity to bring them to your attention. The National Association of Foster Grandparent Program Directors stands ready, as always, to work with your committee, with the Congress, and with ACTION to seek solutions that will result in a Foster Grandparent Program that can continue to thrive in the years ahead.

Thank you.

Senator DODD. Ms. Thompson?

Ms. THOMPSON. If I pronounce a word strangely, maybe you will have to ask me to explain or repeat. I have a Southern drawl here, and I notice no one else does.

I welcome the opportunity to appear before you and represent the National Association of Senior Companion Project Directors.

I am very proud to say that in the Association's history, we have and are continuing to further the volunteer efforts and service of Senior Companions in our community.

Before the meeting, a question was posed to me: If you had a limited time to speak, what would you speak about? Well, I came prepared to speak about everything, and I don't stand here before you

to say that I know everything. But I just came to speak about one group of fine elderly senior citizens, and that is the Senior Companion volunteers.

I was also asked: If you had a wish list, what would you wish for?

I would wish that each and every member of this subcommittee and each and every member of Congress would have an opportunity to see—not hear my words—but to see a Senior Companion deliver the service that they receive the stipend for. It is a service that is delivered with caring and gestures of love, so I am afraid I will not do them justice before you with my small words, but I will try my best.

Senior Companions provide services to nursing home residents homebound elderly, acute care patients, discharged from hospitals, families needing respite care, the mentally impaired, older substance abusers, the developmentally disabled, veterans, and the terminally ill. They provide 20 hours per week, each one of them—and we are talking now about 9,000 Senior Companion volunteers.

The services that they render are just unquestionable in value. As you are all aware, it costs on an average about $22,000 for nursing home care. Well, they say Congress is attuned to dollars and cents—it only costs about $3,000 for a Senior Companion. Now, to me, it seems obvious you shouldn't have to go around the country, trying to find the model program. We are here and have been here since 1973—and hope that Congress will be sympathetic to that and expand our services and enlarge our numbers.

We do have some recommendations as an Association, and I will go over them quickly—I see the little green bulb up there—we do have stop signs in Opelousas, LA, so——

Senator DODD. One red light.

Ms. THOMPSON. We have one stop sign, that's right.

My first recommendation from the Association is an increase in the authorization for Senior Companion/Foster Grandparent stipend from $2.20 to $2.50. Betty has gone over and explained the need for it, and it is explained in detail in my written testimony.

My second is the non-stipended volunteer provision—we are asking that that be deleted. We feel as an association it is not the true intent of Congress to ask an elderly person to commit 20 hours of his or her experience and talents is just not possible. It was tried; the Association welcomed it with open arms, and right now throughout the Nation, there are only 89 non-stipended volunteers. We ask that no more energies be concentrated in that effort.

We also recommend the addition of a new provision to encourage coordination between ACTION's volunteer programs, particularly through Senior Companions and the Frail Elderly Service Program provided through Part D of Title III of the Older Americans Act.

More importantly—and I don't think I am alone in this—my fourth recommendation is for a public awareness campaign on behalf of the Senior Companions Program. We have sat through many meetings with ACTION at State and regional levels, and the Senior Companions Programs, I feel and the directors feel, have been slighted. Someone said in an NCO conference to me: "The Senior Companions, they do a little bit of respite."

I said, "That's debatable, but we have a big 'B' for benefits."

The volunteers are elderly. They are not for the most part able-bodied humans like you and me. They are older American volunteers who have already laid the foundation for respite care, and now in 1989, they have a need, and we are calling on them to pick that up and show us how to do it, and that is what they are doing. Senior Companions are certainly showing the Nation that older American volunteers are not to be unaccounted for.

We also ask for coordination of efforts—this is a real biggie for me. I wish that there would be some type of appropriate language to encourage the director to work with private sector organizations and associations—I guess the word would be "networking"—but more particularly with the three national associations of older American volunteer programs.

I do not feel the reaching out to our programs or our associations—I see the yellow light now, and I want to get this one in real quick, so I am going to speak really fast like a Southerner——

Senator DODD. We have got to allow a little more time for Southerners, because they move more slowly. [Laughter.]

Ms. THOMPSON. I am getting off the subject here, but there was an article that said Texas called Louisiana crayfish "slow"; they said they are not good crayfish. And you know, we are really big on the crayfish scene. And when asked why are they not good, the answer was: Because they are slow thinkers. But you know, as a crayfish eater, we don't worry whether they "think" or not—just that they taste good. [Laughter.]

As our sixth recommendation, we recommend inclusion of a section entitled, "Programs of National Significance"—that Senior Companions be involved in respite care and assistance to the developmentally disabled. And I am going to touch lightly on those two, because to do them justice would take me certainly two or three hearings.

Respite care, we are already involved in, and we would like to expand in that; and we are also involved in developmentally disabled. We do feel that there are disabled senior citizens who can contribute to the developmentally disabled, and we would like to be included in that.

We would also like to recommend that the reauthorization be four years.

And now, in conclusion, I would like to thank you all for your patience and for your ears, because I know it has been hard on you, but thank you so much.

Senator DODD. No; it is music to our ears. I will tell you, if I could live in another State, it would be Louisiana.

Where is Opelousas?

Ms. THOMPSON. If you have heard of Lafayette, we are 15 miles southwest of Lafayette.

Senator DODD. Well, I love to fish, and I spent a week in Grand Isle, and I went out fishing for red snapper and redfish back in those bayous, and for a swamp Yankee from Connecticut, I really enjoyed it.

Ms. THOMPSON. That was God's heaven, wasn't it?

Senator DODD. That was God's heaven. I enjoyed it. So you are not a stranger or in foreign territory here at all.

Ms. THOMPSON. Thank you.

[The prepared statement of Ms. Thompson follows:]

PREPARED STATEMENT OF MS. THOMPSON

Mr. Chairman and distinguished members of the subcommittee:

I welcome this opportunity to appear before you as President of the National Association of Senior Companion Project Directors.

I am proud to say that in the Association's History we have, and are continuing to, further the volunteer efforts and service of Senior Companions in our communities. With the addition of the 44 new programs made possible by Congress in fiscal year 1988, we have approximately 9,000 volunteer service years in 169 projects. Senior Companions provide assistance to over 27,500 frail elderly and other functionally impaired adults.

PROGRAM INFORMATION

As you are well aware, the Senior Companion Program was authorized by Congress in 1973 under Title Ii of the Domestic Volunteer Service Act of 1973 (Pub. L. 93-113). The Senior Companion Program (SCP) offers volunteer service opportunities for low-income people aged 60 and over to provide personal assistance in daily living activities to older people with physical, mental or emotional impairments. Through direct health care providers and social service agencies assisting chronically impaired older persons, Senior Companions serve those at risk of institutionalization and persons within institutional settings in order to help them achieve and maintain their fullest potential for independent living.

Senior Companion Volunteers provide service to:

- nursing home residents
- homebound elderly
- acute care patients discharged from hospitals
- families needing respite care
- victims of Alzheimer's disease
- the mentally impaired
- older substance abusers
- the developmentally disabled
- veterans
- the terminally ill

Senior Companions assist older persons to remain as independent as possible for as long as possible. Typically, volunteers provide their clients with companionship, help with light household tasks, transportation to and from medical facilities, food preparation, advocacy for social services, personal grooming, and assistance with other needed tasks. Volunteers receive training in how to identify and solve problems, how to provide minimal first aid care, and how to provide advocacy service.

Senior Companions serve 20 hours per week. In order to offset expenses, volunteers receive a small hourly non-taxable stipend, transportation and a meal on service days, an annual physical examination, accident and liability coverage, and recognition for their activities. Perhaps the greatest benefit of all is the opportunity to "help someone"—to share their talents and experience sand opportunities that foster another person's independence. An amount equal to 90 percent of the Federal funds of a project's total budget goes to volunteers as direct benefits.

When you consider that the average annual cost for nursing home care is about $22,000 per year, and the average cost for a Senior Companion volunteer is about $3,000 annually, the fiscal value and cost effectiveness of this program becomes unquestionable.

LEGISLATIVE RECOMMENDATIONS

On behalf of the Association, I respectfully submit the following recommendations to you:

1. Stipend increase;
2. Deletion of the non-stipended volunteer provision;
3. Encouragement of expansion of the Older American Volunteer Programs through Part D of Title III of the Older Americans Act;
4. Increased public awareness of Senior Companion Programs;
5. A provision encouraging the Director to work with the National Association of Older American Volunteer Programs;
6. The inclusion of a section entitled "Programs of National Significance";

7. Upgrade the position of OAVP Director and separate program offices for Foster Grandparent and Senior Companion programs; and
8. Four year reauthorization.

Recommendation No. 1: Fututre Stipend Increase

An increase in the authorization for the Senior Companion/foster Grandparent stipend from $2.20 to $2.50 per hour is needed.

This increase in the authorizing legislation would allow for a stipend increase because the stipend has not been keeping pace with inflation over the past years. As the Congress is addressing the need for an increase in the minimum wage for employees, it is appropriate to also address the need for increasing support for those low-income volunteers who give so much.

Recommendation No. 2: Non-Stipended Volunteers

We are recommending that the provision in the current law which allows non-stipended volunteers who are to provide the same services without reimbursement be deleted. It has not succeeded in expanding the available pool of volunteers and has taken limited administrative time from the needs of the low income volunteers.

We feel this allowance in the authorizing language strays from the original intent of Congress to utilize low-income seniors to provide services to others in need of assistance. The low number of non-stipended volunteers currently being utilized throughout the country does not justify the additional staff time needed to recruit and train these individuals. Projects have found it almost impossible to obtain a twenty hour per week commitment on the part of these non-stipended volunteers. The Retired Senior Volunteer Programs provide opportunities to seniors who are found to be ineligible for the Senior Companion Program.

Recommendation No. 3: Coordination Activities

We recommend the addition of a new provision to encourage coordination between ACTION's volunteer programs, particularly Senior Companions, and the frail elderly services program provided through Part D of Title III of the Older Americans Act.

This new provision should allow for expansion of Senior Companion services to the community while enhancing the Older American Volunteer Program's role in addressing the need for community based services. This provision could also open the door for the development of a Memorandum of Understanding between ACTION and the Administration on Aging to involve Senior Companions in Part D activities at the local level. This type of cooperation has already been successfully addressed and implemented with the Veterans' Administration.

Recommendation No. 4: Public Awareness

A provision mandating that ACTION undertake more extensive public awareness activities to promote the Older American Volunteer Programs should be added.

This provision would increase community visibility for all the Older American Volunteer programs while enhancing the local project's probability of developing a working relationship with the private sector and increasing our non-Federal funding support. Some of the kinds of assistance we need include generic program brochures which are adaptable to local projects; program posters for placement in the community; pre-recorded public service announcements; and program videotapes to assist in both recruitment and private sector fund-raising efforts.

Recommendation No. 5: Coordination Efforts

Appropriate language to encourage the Director to work with private sector organizations and associations like the three National Associations of Older American Volunteer Programs. This provision will enhance Older American Volunteer Programs and ensure maximum utilization of program resources.

Currently, there is an ACTION policy discouraging work with the National Association of Senior Companion Project Directors. This policy is not conducive to a constructive working relationship with ACTION's Administration nor to the growth and improvement of the Senior Companion Program. If included, this provision will enhance the Senior Companion Program's visibility across the country and promote a stronger working relationship between ACTION and the Older American Volunteer Program Association.

In Calendar Year 1986, Project Directors assisted in securing State and other non-Federal resources of $9.4 million for activities and expansion of Senior Companion Programs. In 1987, 37 percent of Senior Companion program funds were non-ACTION dollars. These funds were raised by local Project Directors to help support their programs.

Recommendation No. 6: Programs of National Significance

We recommend the inclusion of a section entitled "Programs of National Significance". This section is to list new components focusing on expanding the role of

Senior Companion Program volunteers in the area of respite care and assistance to the developmentally disabled. We are requesting initial funding of $2 million to be appropriated for each new component. The recently completed OAVP Family Caregiver Evaluation supports the critical need and demand for respite services. The need for respite care has also been demonstrated by ACTION's efforts to fund grants through the National Alzheimer's Association.

For example, in Salt Lake City we have a Senior Companion who is helping a family take care of their 88 year old mother, a victim of Alzheimer's disease. This relationship is beneficial in two ways: (1) it provides a Companion to the mother who is unable to care for herself, and (2) the Companion also provides a valuable respite service to the primary caregiver and the mother's family. The Senior Companion assists the client by helping with her activities of daily living such as personal grooming, helping with the noon meal, assisting with walking exercise when the weather permits, and fulfilling her constant want for an ice cream treat. Aside from assisting the client, the Senior Companion has also helped the daughter by providing respite care to her so that she can get away from her awesome responsibility of providing twenty-four hour a day, seven day a week care to her mother. Whenever the client is napping, the Companion visits with the daughter and answers questions that she may have about Alzehimer's disease and offers suggestions for coping with her caregiving role. The husband and sons have also benefited by gaining an increased understanding of hands-on caregiving of a dementia patient. This has also allowed a greater chance for all the family members to participate in the care of their aged mother and grandmother, while at the same time providing a better quality of life for the client.

A new program services component that is gaining national attention is service to the developmentally disabled population. One such program is the Senior Companion Program operated by the New York State Office of Mental Retardation and Developmental Disabilities. This program is designed to serve developmentally disabled adults, both in institutional and community-based settings throughout the State. Senior Companion Programs are providing services to the developmentally disabled to enhance their independence and self-sufficiency.

These are two examples of how we envision this new section furthering the development of new program ideas which expand the variety of techniques available to help serve our target population--those in the community who are most in need.

Recommendation No. 7: Older American Volunteer Program Director Position/ Separate Program Offices For Foster Grandparent, Senior Companion Program

Congress should upgrade the Older American Volunteer Program Director position at ACTION to a Presidential Appointment in order to highlight national attention and commitment to senior volunteerism. In addition, Congress should ensure that there is a separate program office responsible for each of the three Older American Volunteer programs.

Currently the Foster Grandparent and Senior Companion Program offices are combined. We feel very strongly that although there are similarities between the two programs in terms of eligibility and benefits, each program needs to retain its own independence and national visibility separate and apart from the other. Due to the recent increase in the number of Senior Companion Programs in fiscal year 1988 and the apparent continued growth of the Senior Companion Program, we believe that a separate program office for Foster Grandparent and Senior Companion Programs is essential to ensure that each program continues to receive the full level of attention that they require from ACTION staff. Although there are many similarities between the two programs, the programs differ greatly in their purpose, intent, and objectives and they are also diverse enough to require ACTION staff's undivided attention for the special needs arising from working with children separate and apart from the special needs of working with older, more frail adults.

Recommendation No. 8: Length of Reauthorization

Thanks to the actions of a sympathetic Appropriations Committee, fiscal year 1988 was the first in many years that Senior Companion projects received a cost of living adjustment. While this increase was needed and greatly appreciated,thee were problems in the manner in which the Programs received the cost of living adjustment. Restrictions placed by ACTION on these funds limited the amount of administrative costs which could be paid with these additional funds. Only 29 percent of these new funds could be used for administrative support.

Two examples, the Senior Companion Program in Salt Lake County, UT, with a total grant amount of $275,495, a Federal share of $202,964, that supports 60 Senior Companion volunteers, only realized a total of $1,218 for administrative support costs. And the Senior Companion Program in O, elousas, LA, with a total grant of

$233,522, a Federal share of $197,436, that supports 63 Senior Companion Volunteers, only realized a total of $1,315 for administrative support costs.

Our experience has led us to the conclusion that we need a mechanism in our authorizing legislation to provide a minimum annual cost of living increase to Older American Volunteer Program grantees. The Association recommends a four year reauthorization with appropriate increases of at least five percent per year in the authorization of appropriations to allow these programs to keep pace with inflation, to ensure reasonable program growth, and to provide an appropriate increase in the Senior Companion stipend during the four year reauthorizing period.

CONCLUSION

Mr. Chairman, members and staff of the subcommittee, thank you for the opportunity to present this statement. I appreciate the strong support of this committee. The National Association of Senior Companion Project Directors stands ready to continue to assist you and ACTION in the promotion and expansion of the Senior Companion Program.

Senator DODD. We thank all three of you for your comments about these programs and the worthwhileness of them. I have an aunt who is a senior volunteer, who worked for 45 years in the Family Relations Division of our Superior Court system in the State of Connecticut and is—I had better be careful about telling you how old she is; she is apt to read this, and I hear from her almost weekly on what she thinks of my votes. But she plays golf—she is certainly well beyond retirement year—she plays golf every day, but also volunteers three times a week at our State hospital. On her own, she goes up and spends an afternoon with the people there, and she gets great pleasure and great joy out of it. So I have seen it from my own family's standpoint, rather than just numbers and data.

And Berryl, I could not agree more with you, and I would urge my colleagues during recess periods when they are home—a terrific stop to make is to go and visit and see how the Senior Companions program or the RSVP program works, and obviously, Foster Grandparents. They are just tremendous efforts, and I commend all three of you as representatives of what thousands and thousands of people are doing across this country, as we speak here this morning.

I am going to submit some questions. The questions I had were more to compare things over the years as you have seen them change, but given the time constraints, I will submit some questions to you. We have got a little time over the next few weeks. We will take your suggestions very seriously as we draft the reauthorization.

I cannot promise you on the COLA issue. I noticed, Betty, as you were saying it, I could almost see it in your face that you understand the realities we face in terms of some of the political considerations—but clearly, there should be some means by which we recognize the increase costs, and that has to be reflected in this reauthorization bill one way or the other, and I am committed to try and do that. So I promise you those things will be done, and the other suggestions you have made will be a part of that effort as well.

We have had a number of people here all morning from local ACTION programs in the area. Prince George's County particularly had some people here. It is nice to have people in the audience who are sympathetic and understand these programs and how they

work, and they are here to lend their support and also listen to some of the thoughts and suggestions.

We have several additional testimonies that will be included as part of the record as well within the next seven or eight days, and also my colleagues will be permitted to submit questions to this panel or any other over the next several days as well to try and fill out this record.

I want to thank Jackie Ruff of my staff, the subcommittee staff, for her fine work on this hearing this morning; and Rich Tarplin, who is the staff director as well, working with her; and the staff of Senator Coats, who have also been tremendously helpful in putting together questions for the panels.

We will just go back and do our job as quickly as we can and hopefully raise the name of VISTA and the ACTION programs generally in bright lights across this country. It is phenomenal you are doing as well as you are; we could do so much better, in my opinion, to let people know what is out there.

Senator COATS. How Does ACTION's recruitment efforts compare with the Peace Corp's?

Ms. KENNY. We will provide that information, Senator, for the record.

[A chart and responses to questions asked by Senator Coats and Senator Mikulski follow:]

Comparison of VISTA and Peace Corps Funding and Recruitment Funds

Overall Appropriation

	Peace Corps			VISTA				
	Budget Request (1)	Appropriated (2)	Difference (2 - 1)	Budget Request (1)	Appropriated (2)		Difference (2 - 1)
FY 1988	$130,682,000	146,200,000	+15,518,000	20,710,000	19,828,000	*	-882,000
FY 1989	150,000,000	153,500,000	+3,500,000	21,910,000	21,647,000	*	-263,000
FY 1990	163,614,000			23,615,000			

Recruitment and Public Relations Portion of Overall Appropriation
(does not include personnel or travel costs)

	Peace Corps			VISTA			
	Budget (1)	Volunteer Service Years (2)	Recruitment Cost per VSY (1 / 2)	Budget (1)	Volunteer Service Years (2)		Recruitment Cost per VSY (1 / 2)
FY 1988	$10,814,000	4,611	2,345	100,000	2,500	*	40
FY 1989	9,984,000	5,211	1,916	135,000	2,600	*	52
FY 1990	10,294,000	5,511	1,868	161,000	2,600		62

does not include Literacy Corps

RESPONSES OF JANE KENNY TO QUESTIONS ASKED BY SENATOR COATS

Question. Why isn't the ACTION Agency requesting the $2 million for the ACTION Drug Alliance for fiscal year 1990 which was appropriated in fiscal year 1989 by the Urgent Supplemental Appropriation Act of 1989?

Answer: The most straightforward answer I can give you, is budgetary constraints. Since the Agency's submission to OMB was due prior to the passage of the Urgent Supplemental appropriation Act of 1989, which provided additional funding for drug abuse prevention and education activities, it did not include the $2 million funds to carry out the addition undertaken in fiscal year 1989 with supplemental funds.

However, in ensuring discussions with OMB following enactment, it was made clear to us that if these additional funds of $2 million were to be incorporated in the fiscal year 1990 submission, they would have to be offset by a $2 million reduction in other areas of the Agency's budget. There were only three options possible:

1. Sustain reductions in other Agency programs. To reduce VISTA, Student Community Service, Citizen Participation and Demonstration, or OAVP programs beyond the current services level requested in the fiscal year 1990 budget would have necessitated cutting back on numbers of existing low-income older volunteers and VISTA volunteers or reducing existing services to low-income communities, including services to address homelessness, illiteracy, hunger, and the needs of frail elderly and at-risk youngsters. At this point, I would submit two charts for the record. Chart I displays the impact on each of ACTION's programs if the $2 million offset had been taken out of one specific program. Chart II shows the impact on the programs if the offset had been sustained in an across-the-board percentage reduction of funding to all programs. For example, if the full $2 million were absorbed out of the Foster Grandparent Program alone, we would have to close down 9 existing projects, dismiss 490 low-income senior citizens from participation in the program, and deprive 3,000 children of one-to-one nurturing by these volunteers. If the $2 million were offset by across-the-board reductions as in Chart II, the effect on FGP would be to close down 4 projects, dismiss FGP volunteers, and 1,500 needy children.
2. Forego an increase in the VISTA subsistence allowance. The current average subsistence allowance for a VISTA volunteer is $5,563 a year. It is the consensus of our sponsoring organizations and the ACTION field staff, as well as the VISTA volunteers, that increasing the subsistence allowance is the most important factor in improving recruitment and retention of VISTA volunteers.

   Because of the low level of the existing subsistence allowance, the majority of our VISTA volunteers are either:

   a. financially independent or
   b. receiving other Federal benefits such as Social Security which are not reduced because of VISTA service

   If we are to recruit VISTA volunteers from all walks of life, as now stated in our authorizing legislation, it is essential that we raise the subsistence allowance to $6,205 which is the estimated fiscal year 1990 HHS Poverty Index for a single individual.
3. Forego an increase in program administration. If a $2 million reduction was sustained in the level of program administration funds, the result would be a reduction of 43 FTE or 46 positions for a total agency staffing level of 405, thereby triggering a reduction in force (RIF) which would also mean that many program support functions mandated by law or regulation would have to be discontinued. Training of project directors would be canceled for the second year in a row, and it would be impossible to conduct requisite monitoring visits to grant recipients, thereby decreasing the Agency's ability to counter waste, fraud and abuse of Federal appropriations, not to mention providing needed technical assistance to improve project performance.

Clearly, such offsets from either programs or program administration would have seriously impaired the Agency's capability to effectively carry out its mandate and would have disproportionately affected the low-income American volunteers and communities who benefit from our programs. And so we rejected them.

In the absence of any tenable offsets to this $2 million, and in view of the fact that no current Drug Alliance grantee would be a adversely affected since 1989 funding under the Urgent Supplemental was for one year and non-renewable, we considered that the most prudent course, the least of the evils if you will, was to try to make up as much as possible for this reduction in Drug Alliance funding by ex-

panding activities in drug abuse prevention within the scope of our other ACTION programs, with current services levels of volunteers and projects. This may not be the optimal approach, but given the cap on our overall funding necessitated by the Federal deficit, it was viewed as the least disruptive and most equitable, in order to be able to honor ongoing funding, staff support, training, project development, and monitoring commitments for our existing programs and volunteers.

Finally, we recognize that the authorization ceiling for appropriations to the ACTION Drug Alliance has been enacted at the $5 million level for fiscal year 1990. The Administration's position, as articulated to the Agency by the OMB Legislative Reference Section, is that authorization levels must be consistent with fiscal year 1990 appropriations requests, which for the Drug Alliance is $1.6 for fiscal year 1990 and such sums as necessary for fiscal year 1991 and 1992. If the appropriations level for the ACTION Drug Alliance is changed either through negotiations with the Administration or Congressional action, obviously the requested authorization level would be similarly affected.

[The charts referred to above follows:]

EFFECTS OF GENERATING ADDITIONAL ($3 Million) FUNDING FOR
ACTION DRUG ALLIANCE BY SUSTAINING REDUCTION
IN ANY ONE ACTION PROGRAM

	FY 1990					
	CONGR REQUEST	REDUCTIONS IN: DOLLARS	VSTs	VOLs	PROJECTS	IMPACTS
VISTA	$23,615,000	$2,000,000	220	418	58	Will eliminate planned new projects and reduce enrollments to reach lower VST total of 2,380.
STUDENT COMMUNITY SERVICE	$1,352,000	$1,352,000	N/A	31,000	2	Will eliminate 81 existing grants and 50 planned new grants.
CITIZEN PARTICIPATION AND VOLUNTEER DEMONSTRATION PROGRAMS	$1,050,000	$1,050,000	N/A	5,366	41	Will eliminate 19 demonstration grants planned for drug abuse prevention, homelessness, illiteracy, and at-risk youth.; will eliminate 2 SOVs, 18 mini-grants and 2 TAP. Approximately 16,000 clients will be eliminated.
RETIRED SENIOR VOLUNTEER PROGRAM	$30,862,000	$2,000,000	N/A	12,900	26	Approximately 1,400 local organizations and 26 existing projects will be eliminated from the program.
FOSTER GRANDPARENT PROGRAM	$58,928,000	$2,000,000	360	490	9	Approximately 3,000 children and 9 existing projects will be eliminated from the program.
SENIOR COMPANION PROGRAM	$25,135,000	$2,000,000	650	890	12	Approximately 2,500 frail elderly and 12 existing projects will be eliminated from the program.

EFFECTS OF GENERATING ADDITIONAL ($2 MILLION) FUNDING FOR
DRUG ALLIANCE BY PRORATING REDUCTIONS AMONG ALL ACTION PROGRAMS

	FY 1990					FY 1990
	CONGR REQUEST	REDUCTIONS IN: DOLLARS	VSTs	VOLs	PROJECTS	IMPACTS
VISTA	$23,615,000	$335,103	37	69	10	New projects eliminated.
STUDENT COMMUNITY SERVICE	$1,352,000	$19,185	N/A	473	2	New projects eliminated.
CITIZEN PARTICIPATION AND VOLUNTEER DEMONSTRATION PROGRAMS	$1,050,000	$14,900	N/A	262	1 OR 2	Approximately 800 clients will be eliminated.
RETIRED SENIOR VOLUNTEER PROGRAM	$30,862,000	$437,939	N/A	2,865	6	Approximately 300 local organizations and 6 existing projects eliminated from program.
FOSTER GRANDPARENT PROGRAM	$58,928,000	$836,202	261	355	4	Approximately 1,500 children and 4 existing projects eliminated from program.
SENIOR COMPANION PROGRAM	$25,135,000	$356,672	110	151	2	Approximately 400 frail elderly and 2 existing projects eliminated from program.
TOTAL	$140,942,000	$2,000,000				

ADDITIONAL FUNDING FOR ACTION DRUG PROGRAM
PROGRAM ADMINISTRATION IMPACT

	FY 1990			
	CONGR REQUEST	REDUCTIONS IN: DOLLARS	FTEs	IMPACTS
PERSONNEL COMPENSATION AND BENEFITS	$21,390,000	$2,000,000	32	Agency would have to operate with 416 FTEs, 32 less than the minimum required. Functions mandated by law or regulation could not be performed in a satisfactory manner.
RENTS, COMMUNICATIONS, AND UTILITIES	$4,745,000	$2,000,000	N/A	Building, telecommunications and utility bills cannot be paid.
TRAVEL, PRINTING AND REPRODUCTION, OTHER SERVICES, SUPPLIES AND MATERIALS, AND TRANSPORTATION OF THINGS	$1,760,000	$1,760,000	N/A	These costs are essential for project development and monitoring; Agency maintenance; automation support such as supplies and other required contractual services. Reductions in these areas would bring operations to a halt.

Responses of Donna Alvarado to questions asked by Senator Mikulski

Question No. 1. I understand that the mission of VISTA is to serve those areas with the greatest need. In Maryland, the City of Baltimore has 68 percent of State families in poverty, 71 percent of single mothers according to the 1990 census projections. Why then did the city have only 5 percent of the total VISTA slots allotted to the State office as recently as September 15, 1988.

Answer: The fiscal year 1989 VISTA allocation for the State of Maryland is 32 VISTA Volunteers. The City of Baltimore has 9 of those Volunteers which is 28 percent of the State's allocation.

The mission of the VISTA program is to serve those areas with the greatest need. In that regard, an analysis of the areas in Maryland with the greatest need was conducted using data from the U.S. Bureau of Census to identify the areas of Maryland with the lowest per capita income.

There are 12 areas in Maryland with high concentrations of families with the lowest per capita incomes (up to $8,500 per annum); in September 1988, all of the 8 VISTA projects in Maryland were serving in those areas, e.g. Baltimore City, Cumberland, Oakland, portions of Prince George's County, portions of Anne Arundel County. It is ACTION's goal to serve those area with the lowest per capita income and VISTA Projects are located in those areas.

Question No. 2. Given this maldistribution of VISTA resources, why did VISTA allocate only 3 of 12 requested additional VISTA's to the proposal of the *Coalition of Pennsylvania Organizations* for VISTA's in the Baltimore area in September, 1988? Even approval of the full 12 requested VISTA slots would only have raised Baltimore City's share of the State's VISTA slots to 22 percent.

Answer: The figures as cited in the answer to Question No. 1 above indicate Baltimore City is in fact receiving 28 percent of the total VISTA Volunteer Allocation for the State of Maryland. The response to why 3 of the 12 VISTA Volunteers were allocated to the Coalition of Peninsula Organizations is covered in Question No. 3 below.

Question No. 3. The State ACTION agency strongly recommended this proposal. Why were their recommendations overturned?

Answer: The VISTA application from the Coalition of Peninsula Organizations could not be approved in its entirety for several reasons.

First, there were weaknesses in the work plan. Additionally, there were other ACTION projects approved by Headquarters during that time frame which would be serving the same geographic areas in Baltimore City as the proposed Coalition of Peninsula Organizations VISTA project. These include the Baltimore City Public Schools which is a Student Community Service grant and a new Baltimore Jobs in Energy program which is a Drug Alliance grant. The ACTION State Office was not aware that these two additional projects would be approved for that same geographic area of Baltimore City when it made its recommendation. The agency believes that collectively the final decisions reached on Maryland applications submitted for all ACTION programs at that time represent the most equitable distribution of resources within the State of Maryland and the region respectively.

Question No. 4. At the suggestion of the regional director the *Coalition of Pennsylvania Organizations* resubmitted a proposal for VISTA's, including the VISTA's for the City of Baltimore, in December 1988. Why have they not received any response to date (more than 3 months later)?

Answer: The Coalition of Peninsula Organizations resubmitted a proposal for additional VISTA Volunteers in December 1988. However, there remains a great need for VISTA Projects in some of the more rural areas in Maryland that have never been served by VISTA. As a result, the Regional Director notified the State ACTION Office on march 7, 1989, of this fact and emphasized the need to serve rural areas in Maryland with high concentrations of families with the lowest per capita income (those under $8,500); currently ACTION is reviewing VISTA proposals which would serve an additional two of those areas; e.g. Cumberland and Sussex County. According to the Maryland ACTION State Office the Coalition of Peninsula Organizations was advised in mid-March that their proposal was not being considered at this time due to the demographics and the need to serve some of these rural areas with the lowest per capita income.

Prepared Statement of Mr. Tottey, Jr.

Thank you, Mr. Chairman, for this opportunity to present written testimony regarding the Older American Volunteer Programs and, more specifically, about the Senior Companion Program.

My name is Ted Tottey, and I am the Project Director for the Senior Companion Program sponsored by the New York State Office of Mental Retardation and Developmental Disabilities (OMRDD). I have had the privilege of directing this Program since its beginning ten years ago. In addition, I have served as a Foster Grandparent Project Director from 1972–1975 in Syracuse, NY and then from 1976–1983 with the NYS OMRDD Foster Grandparent Program. During the period 1979–1982, I also had the honor of serving as the President of the National Association of Foster Grandparent Project Directors.

Mr. Chairman, the recommendations being made in this testimony grow out of my own background and out of the experiences of the New York State OMRDD Senior Companion Project. They are also based upon some common experiences of a growing number of Senior Companion Programs nationally; that is, programs which are: statewide or multi-country in scope, and/or nonfederally funded. Many of these programs are also targeted toward serving a special population such as mentally retarded/developmentally disabled adults.

One such program, Mr. Chairman, is the Senior Companion Project operated by the NYS OMRDD. This program, budgeted at $1.2 million of State funds in 1989, is designed to serve adults, who are mentally retarded/developmentally disabled, in both institutional and community based settings throughout the State.

In order to understand the context out of which our recommendations are being made, the following is brief review of this Program.

The OMRDD Senior Companion Project was founded in 1979 at a time when the OMRDD was already managing a large Foster Grandparent Program grant. Because of good experience with the latter program, and because of unavailability of Federal funds for new Senior Companion grants at that time, the OMRDD presented a proposal to the Governor's Division of the Budget to initiate a Senior Companion Program. The proposal was subsequently approved by the New York State Legislature and resulted in the funding of 150 Senior Companions at a cost of $300,000.

Currently, the OMRDD Project is allocated over one million dollars in State funds and has over 440 SCs actively serving in 15 developmental centers, as well as in over 120 community-based sites, including 30 privately operated agencies with 50 separate sites. Approximately 40 percent of the SCs are serving developmentally disabled adults in community settings including group homes, day treatment and day training programs, sheltered workshops, a few skilled nursing facilities, a hospital, and an infirmary. In addition, a limited number of SCs serve in senior centers, nutrition programs, supervised apartments, and family care homes.

This Project has emphasized certain initiatives which have helped to establish the program as a vital resource within the OMRDD statewide service system:

1. Promoting placements of residents of institutions into community-based services. SCs have assisted residents of developmental centers in activities which promote community awareness and community living skills to prepare them for community living. They have, in some cases, assisted in actual transition of adults from institutional living to community living or programming.
2. Integration of older developmentally disabled adults into the generic aging service system. Increasing numbers of SCs are accompanying elderly persons with developmental disabilities to senior centers, nutrition programs, and recreation programs to involve them with groups of "normal" senior citizens and their activities.
3. Tutoring of residents of group homes in community living skills to enable their increased participation in community life. SCs assist these persons in learning skills such as meal planning and preparation, dining skills and table manners, money management, use of public transportation, awareness of community services and activities.
4. Involving SCs in the active treatment requirements of Intermediate Care Facilities for the Mentally Retarded (ICFs/MR). Each SC is involved in supplementing and assisting the interdisciplinary treatment team in providing goal-based activities which are part of the developmentally disabled person's developmental plan. This includes attendance of SCs at staff training meetings, and at case conferences.
5. The SC Project has recently begun to set goals aimed at placing SCs in the private homes of family caregivers and aimed at providing SCs in family support services such as in-home and congregate respite care.

The Project just described is the largest single Senior Companion Program in the country. yet its concerns and needs are not fully represented in the legislation which governs the Senior Companion Program; nor are the needs and concerns of the other programs of this type which are growing in numbers across the country.

Mr. Chairman, with regard to similar programs, according to figures obtained from the ACTION agency, there are approximately 23 multi-county projects, 10 statewide projects, and 25 nonfederally funded projects. There are also at least 18 projects which serve developmentally disabled adults, 12 of which are also nonfederally funded and 7 of the 18 which are statewide in scope. Although there are probably other Federally funded projects which have some SCs serving developmentally disabled adults, only two Federally funded programs were identified to us as serving this special population.

Since there are over 50 projects in the country which have one or more of these characteristics (i.e. are multi-county or statewide in scope, nonfederally funded, serving developmentally disabled persons) it is our opinion that the time has come to recognize their special needs and concerns in the Act.

Specifically, we would like to offer the following recommendations for amendments to the Act. While we recognize that we cannot speak for all the programs that are similar to ours, we can say that the feedback we have received from many of them indicates that the concerns and needs we are expressing here will be of direct benefit to them.

For your consideration, Mr. Chairman, I have included as an attachment to this statement, proposed wording for specific amendments to the Act which would incorporate our recommendations.

Recommendation No. 1: The stipend level should be raised to at least $2.50 per hour.

We strongly believe that the stipend level should be raised for the following reasons:

- Because the stipend has not been raised in the last five years, inflation has eaten into its original intent which was to provide an allowance adequate enough to help low income persons meet the extra costs of volunteering (i.e. food, clothing, transportation, etc.).
- Congress has already signaled its intent to raise the minimum wage. While the stipend is not a wage, the stipend should be raised to reflect the same concerns as are being expressed in the possible raise of that standard.
- While the stipend does not reflect a payment for services, it is nonetheless a standard by which worthiness is measured. We believe the Senior Companions, as well as Foster Grandparents, are performing services which should be recognized by this modest increase in stipend.
- Congress has already displayed its concern to expand the Older American Programs in the past two authorizations. In fact, increased appropriations in the past few years have allowed the initiation of 44 new Senior Companion projects and have also provided increased funds for administrative costs for the existing programs. Congress has graciously attended to the matter of increasing the numbers of new program participants. It is now time to attend to the stipend raise for those who are already participating.

Recommendation No. 2: The existing income eligibility provisions should be modified to reflect disparate local income levels, particularly to assist programs which must operate on a regional or statewide basis.

We fervently agree with the intent of Congress that these programs should remain antipoverty programs. We do not propose changing the basic concept that 125 percent of the (DHSS) poverty income guidelines should remain the norm for recruiting eligible persons for the Senior Companion Program.

It is our contention, however, that the definition of "low-income person" in section 211.(3)(e) should include certain provisions:

- A reference to "net" income as the base amount for determining income eligibility and the inclusion of allowable medical expenses as a deduction to reach that amount. This would seem to be a reasonable accommodation in the law since such "step-down" provisions are allowed for other income restricted programs and entitlements.
- That any person whose income is derived solely from Social Security should be automatically eligible. While this may in some cases allow into the program some persons who are above the 125 percent of the poverty level, it will not change the basic focus of that standard. However, this will allow a small

number of persons with minimal resources to enhance their small income at the same time that they render a community service to persons with special needs.

In addition to these provisions for slight change, thee is a need to address existing language in the Act, in sections 211 and 421, which says that "in determining who is 'poor' or 'low income' the Director shall take into consideration existing poverty guidelines as appropriate to local situations."

It is our understanding that the words "local situations" have been interpreted for many years as the amount of State supplemented Federal SSI added to 100 percent of the DHHS Poverty Income Guidelines. This total is then used for those States where the SSI supplement will raise the income eligibility above 125 percent of the poverty guidelines. The precedent has therefore already been set for an adjustment to the basic standard of 125 percent of the poverty guidelines when local ("state") situations warrant that adjustment. There are currently eight States which have income eligibility levels for the program which, because of this adjustment, are above 125 percent of the poverty guidelines.

We would like to see language accompanying the bill which will indicate that adjustments for "local situations" should include not only States, but counties and multi-county regions where adjustments to the eligibility guidelines may be made in special circumstances.

This language should particularly address the problems of statewide or multi-county (regional) projects whose mandate may be to serve special populations in diverse localities. In New York, for example, the OMRDD is mandated to serve all developmentally disabled persons throughout the State. The Senior Companion Project likewise has a mandate from OMRDD to serve this special population in as many localities and areas as possible. There are a number of counties where the need to serve this population is great, but where the older low income population eligible (and able) to be Senior Companions is considerably less than the average and where the average income for the age group over 60 is substantially higher than in other counties of the State.

The ability of statewide or regional programs to recruit eligible seniors in one county or area may not carry over into all counties or areas, and therefore statewide or multi-county programs can be hampered because of one standard applied to the whole State. Because most Federal grants for Senior Companion Programs are given to agencies covering one locale, whose chances for recruitment are usually predetermined to be adequate at existing eligibility levels, the projects which cover wider and more diverse areas are at a disadvantage when they attempt to open new volunteer opportunities in areas of the State which cannot yield the same number of potential volunteers.

It is for these reasons that we seek language which will allow for the Director of ACTION to make adjustments in the eligibility guidelines for certain localities (such as counties) specifically in the case of projects which are statewide or regional in scope. This adjustment could be in the form of a formula, differential or percentage which takes into account, for example, the differences in population density, cost of living, percentage of elderly persons, and average income of those over 60, as compared to the State average.

It is our belief that this will considerably assist statewide and regional projects and that the language to "take into consideration existing poverty guidelines as appropriate to local situations" will finally have real meaning as regards local circumstances.

Recommendation No. 3: Language should be added which will legitimize the use of Memorandums of Agreement for affiliation between ACTION and nonfederally funded projects.

Currently the ACTION agency uses a Memorandum of Agreement procedure to enable nonfederally funded programs to affiliate with that agency. The Agreement specifies a number of terms, among which are:

- The sponsor agrees to pay all costs of the project for a one year period.
- The sponsor also agrees to operate the project in accordance with the provisions of the Domestic Volunteer Service Act of 1973 as amended, the SCP regulations, and the SCP Operations Handbook.
- Eligibility for the income disregard provisions of the Act are allowed provided stipends do not exceed the level authorized by ACTION.
- Termination and suspension procedures apply when there is material failure to comply with the Agreement terms and conditions.

We have proposed a number of amendments to the Act in regard to this Agreement procedure:

1. That the word "Agreements" be placed in sections 211 and 213 of the Law to legitimize and recognize the Memorandum of Agreement process of affiliation for nonfederally funded programs.
2. That an explicit statement be added to the Act which will make it perfectly clear that projects funded solely by local contributions shall be subject to the same benefits and exemptions available to grant programs under the Act's provisions. Specifically, we have suggested this statement be a new subsection added to section 224.

We offer these amendments for one very basic reason: It has been our experience that some agencies, which govern benefits for Senior Companions, have challenged our project's eligibility for the stipend disregard irrespective of our possession of a "Memorandum of Agreement". Their contention was that this "piece of paper" did not change the fact that the stipends we pay are in State funds and the law that provides the stipend disregard is a Federal law applicable to Federal funds. To back up their challenge, they cited the fact that the Act does not mention the Memorandum of Agreement procedure anywhere. We would like to see language which will leave no question about the status of nonfederally funded programs vis a vis the Act.

Recommendation No. 4: Language be added to section 224 that would provide some relief to nonfederally funded projects from unnecessary administrative and reporting requirements:

Mr. Chairman, the following recommendations are offered to ensure that administrative requirements do not undercut the ability of these projects to function effectively in terms of efficient administration and local fund-raising.

1. That nonfederally funded projects be required to submit an affiliation application and Memorandum of Agreement on a three to five year basis rather than annually. The period would depend upon the project's funding dependability. This provision would relieve these projects from preparing essentially the same application year after year.
2. That reports to ACTION be limited to one report a year. This would relieve non-Federal projects from the extra burden of quarterly project progress reports and other special reports which are essentially related to monitoring of Federal grant usage.
3. That any future standards, rules, regulations, etc. published by ACTION not produce additional administrative requirements for such projects. It is our contention that nonfederally funded programs should not be overburdened with Federal requirements which may undercut their ability to use hard won local dollars in the most efficient way.

In addition, local funding sources are placed in a quandary when they see their local funds siphoned off into administrative use because of Federal requirements. Understandably, this can make local funding sources hesitant about providing their support.

Recommendation No. 5: Language be added which would fund new programs, or encourage additions to existing programs, and which would promote services to adults with a developmental disability.

In section 213 (a) of the Act, there is explicit language authorizing grants to fund Senior Companions to assist persons with developmental disabilities. Yet it is clear from inquiries that we have made that it is most often nonfederally funded programs that are serving this population. It is not quite as clear how many grant programs are serving this target population, but it appears to be quite limited.

When 44 new Senior Companion Projects were recently established with increased funding provided by Congress, the one service area left out of the criteria for grants was developmental disabilities. We urge that this oversight be rectified this year with attention given to authorizing funds for projects to address the needs of this population.

Senior Companions could be utilized in group homes, retirement and day programs, recreation programs, respite care, nutrition sites, senior centers, and in private family care homes.

We would like to see funds made available for new projects, for new components to existing projects, and for two to three year challenge grants to States and local agencies to serve persons with developmental disabilities, with special emphasis on the service of persons over 60 years of age. The needs of elderly persons with developmental disabilities present a relatively new challenge to providers of service in both the field of aging and the field of mental retardation. Integration of these persons into the generic aging service system is a worthy challenge for the Senior Companion Program.

Other Recommendations:

Mr. Chairman, we would like to suggest a few other changes which we believe would be of benefit to all projects, particularly those that we exemplify:

1. Language in section 213.(b)(2) (A) and (B) needs to be clarified to allow for limited numbers of Senior Companions to act as trainers and activity leaders during their regular service schedule, and to receive a stipend for their efforts. This would be helpful to all programs, and particularly to those that are nonfederally funded.
2. Language be added to section 224 which would recognize the efforts of nonfederally funded projects.
3. Language in section 224(a) be clarified to ensure that locally generated contributions cannot be required to be shown in any part of the great application to the ACTION agency. ACTION can determine if excess local contributions are used in accordance with the Act through its established processes of monitoring and audits. Including excess local contributions in a grant application subjects the project to an obligation to spend those funds in exactly the manner prescribed in the application. This negates the spirit of this original section which was meant to prevent ACTION from dictating how these excess local funds could be spent.
4. In a similar vein, language in section 412.(a)(3) should be amended to make clear the original intent of this section which was to provide an opportunity for an impartial hearing before an impartial hearing officer whenever refunding was being denied for whatever reason by ACTION.
   We call upon the committee to restore the integrity of this section so that projects may have the opportunity to defend themselves against arbitrary denial of grant funding. To be limited to showing cause before the very ACTION officer who has already issued a denial of refunding notice is to deny the possibility of a truly fair hearing. The hearing should instead be staffed by those who can render a fair judgment as to the merits of the situation.
5. Finally, we wish to indicate our strong support for the changes to the Act recommended by the National Directors Associations of RSVP, Foster Grandparents, and Senior Companions. As usual, the Associations have done an excellent analysis of the needs of the programs in relation to this reauthorization, and we certainly commend their efforts.

Mr. Chairman, we are grateful for this opportunity to present written testimony to this subcommittee. We sincerely hope that our recommendations will contribute to the reauthorization discussions regarding the Senior Companion Program and the other Older American Volunteer Programs. We thank you for the continuous efforts of this subcommittee and of the Senate over many years to support and enhance these programs.

Senator DODD. Thank you all three for being here.

This subcommittee will stand adjourned until further call of the chair.

[Whereupon, at 1:07 p.m., the subcommittee was adjourned.]

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